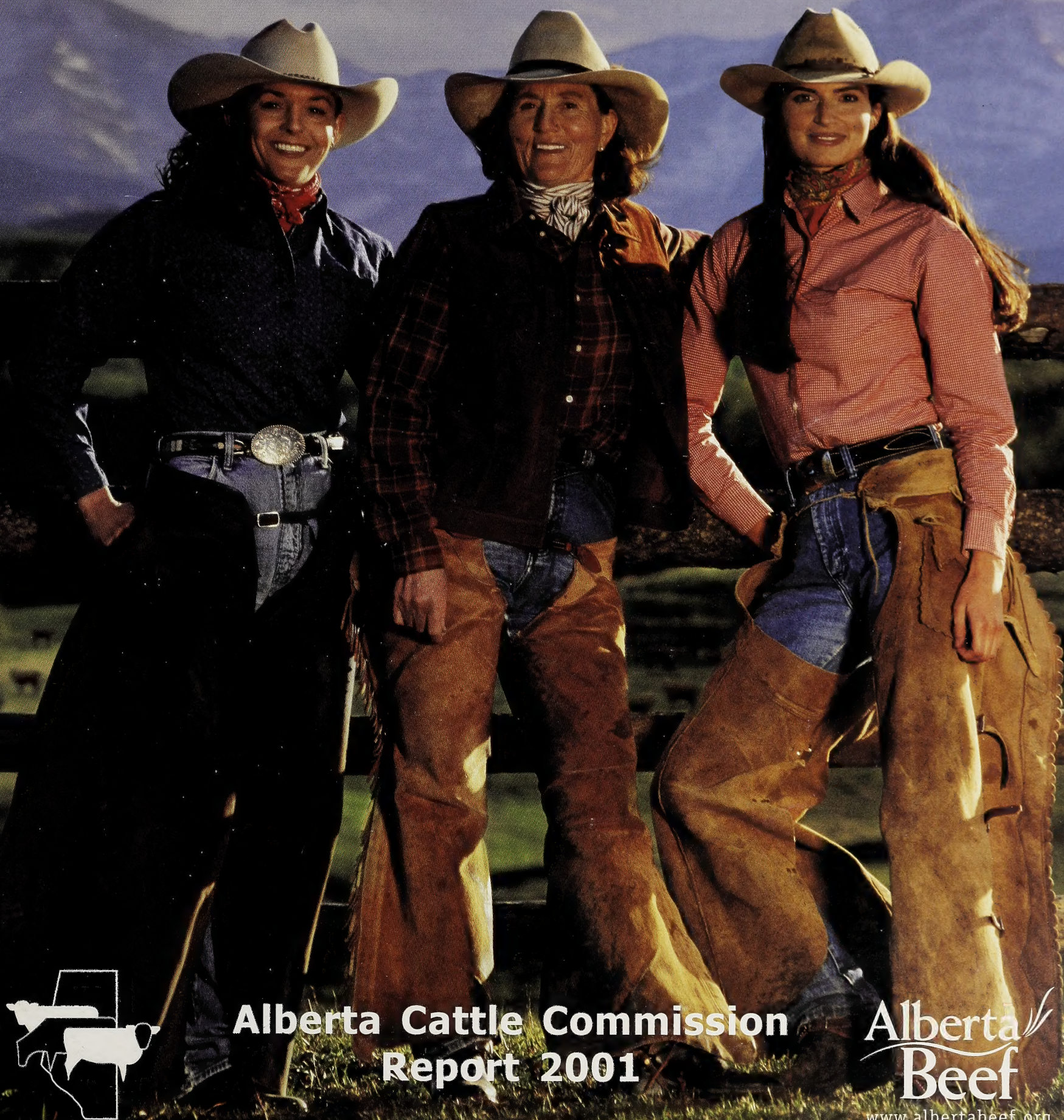


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IF IT AIN'T ALBERTA, IT AIN'T BEEF.



**Alberta Cattle Commission
Report 2001**

**Alberta
Beef**
www.albertabeef.org



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Industry News

Important Issues Need Your Input

The Alberta Cattle Commission (ACC) is asking producers to provide direction on important issues at the fall zone meetings.

"Zone meetings give all producers a chance not only to elect ACC delegates, but to hold us accountable for the way we handle important industry issues - and for the way we spend producer money to promote the industry and beef," says ACC Chairman Greg Conn.

"The ACC's strength comes from the input of grassroots members," he adds. "We look at what producers want, and then act on it."

To ensure producer access, 39 fall meetings are planned throughout the

province. Elections are being held in three of nine zones. Check the back page of this annual report to find the meeting closest to you.

When you attend your local meeting please consider the following issues:

Global Beef

Marketing Strategy

Domestic, U.S. and international beef marketing initiatives are being coordinated to maximize efforts and resources. With beef industry development funds exhausted, there will be a \$2 million shortfall in funding for these programs. How should the beef industry proceed?

On Farm Food Safety and Environmental Farm Plans

Federal and provincial govern-

ments have agreed to make Canada a world leader in food safety, innovation and environmental protection and are moving towards on-farm programs to prevent and manage risks. These programs will likely define acceptable production practices in the future. How should the beef industry proceed?

Brand Inspection

A study of the Alberta brand inspection system is nearing completion and the consultants have recommended changes in brand inspection for feedlots, legislative improvements and changes to Livestock Identification Services' board structure. How should the beef industry proceed?

ACC Changes Name

The Alberta Cattle Commission (ACC) will be officially changing its name to **Alberta Beef Producers** to more accurately reflect its membership and the product we produce.

The ACC has already been actively using the Alberta Beef logo in its consumer and promotion programs throughout Canada including the launch of the new "If it ain't Alberta, it ain't Beef" campaign at the Calgary Stampede and the World Championships in Athletics in Edmonton.

The new name will help producers and the general public more readily identify and better understand the role of the organization as an advocate of the Alberta beef industry.

The new name will also be more intuitive - making it easier to find the organization on the Internet and in the phone book.

Alberta Beef

New "If it ain't Alberta, it ain't Beef" Campaign Delivers Big Results

The new "If it ain't Alberta, it ain't Beef" campaign launched this summer at the Calgary Stampede and the World Championships in Athletics in Edmonton was the largest promotional project ever done by the Alberta Cattle Commission (ACC). The

program featuring the *Alberta Beef RanchERs* didn't disappoint in delivering big results for the beef industry.

The Championships had a worldwide television audience of four billion including 500,000 Canadians watching everyday.

Media interest paid off with 35 television, 28 radio, 16 daily newspaper and seven magazine stories and features worth over \$1 million in free publicity.

Alberta beef billboards and street posters were seen by consumers 24 million times

in Calgary with similar results in Edmonton. Street posters were seen on two million occasions in Lethbridge and Medicine Hat.

Alberta beef advertising was seen by over 400,000 visitors, 3,179 athletes and officials and 2,678 media at the Championships.

Over 150,000 Alberta Beef Diner's Guides were circulated through the Edmonton Journal during the Championships featuring restaurants serving Alberta beef.

For information on the campaign see page 19.

Cattle Market Information

Slaughter Line
(403) 274-4340
Feeder Line
(403) 274-4345

visit our
Web Site
www.albertabeef.org

Alberta Feedlot Wins National Award

Highland Feeders of Vegreville is the winner of the first national *Feedlot Environmental Stewardship Award* presented by the Canadian Cattlemen's Association and Merial Canada. Highland Feeders is owned by Bernie and Mike Kotelko.

The award recognizes outstanding efforts of feedlot operators in implementing management practices that protect the environment. Highland Feeders' driving momentum is the principle of environmental stewardship, underlined by economic common sense. They believe good management practices mean good environmental practices because the same resources that are important to the environment – soil, air, water – are essential for agriculture.

Highland Feeders protects soil and water through effective manure management. In order to prevent over accumulation of salts from manure, rations are carefully balanced with minimal levels of sodium chloride and phosphorus. Best management practices are used in the application of manure. Their program includes manure analysis, soil analysis, crop nutritional requirements, manure application rates, application timing and incorporation.

Highland sees their cattle as sentinels of the environment in that cattle need clean, abundant water - protecting this resource protects profitability. Wells supplying the feedlot are sampled weekly. Highland has voluntarily installed several monitoring wells between the feedlot and other neighbors to provide detailed water quality information.

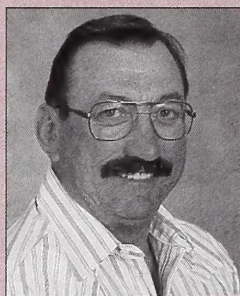
Highland Feeders contributes to the cattle industry by undertaking research for the benefit of all. Projects include trials in manure composting and harvesting energy from manure.

Highland Feeders was also the winner of the 1997 Alberta Cattle Commission Environmental Stewardship Award and has been an excellent ambassador for the Alberta beef industry.

ELECTION BACKGROUNDER

RETURNING ASSOCIATION DELEGATES

Producer association delegates are elected by their respective organizations but otherwise have the same responsibilities as regular delegates. Association representation is: Alberta Canada All Breeds Association - one delegate, Alberta Cattle Feeders' Association - two delegates, Alberta Milk Producers - one delegate, Feeder Associations of Alberta - two delegates, Western Stock Growers' Association - two delegates. Vacant positions will be filled in the fall.



Lyle Taylor

Barrhead, (780) 785-3422

producer liaison committee

Alberta Canada All Breeds Association



Glen Thompson

Iron Springs, (403) 738-4351

cattle feeder council

Alberta Cattle Feeders' Association



Lorrie Jespersen

Barrhead, (780) 785-2121

government affairs committee

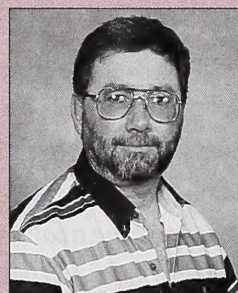
Alberta Milk Producers



Ted Quist

Marwayne, (780) 875-7333

Feeder Associations of Alberta

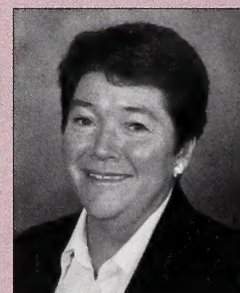


Rodney Murray

Picture Butte, (403) 732-4643

technical committee

Feeder Associations of Alberta



Karen Gordon

Hanna, (403) 854-2594

government affairs committee

Western Stock Growers' Association

ACC Gives \$500,000 to Vet College

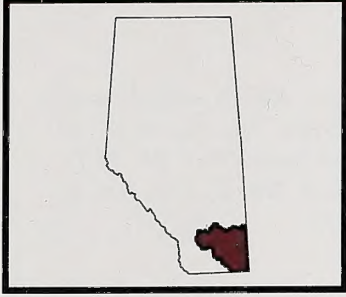
The Alberta Cattle Commission (ACC) contributed \$500,000 towards a new Academic Chair in Beef Cattle Health and Production Management at the Western College of Veterinary Medicine (WCVN), University of Saskatchewan.

The ACC donation follows a grant of \$1.5 million towards the Chair by the provincial government earlier this year. The WCVN is currently seeking additional financial support for the Chair to bring the total endowment up to \$3.0 million.

An important function of the Chair is to encourage veterinary students to

consider food animal practice as an occupational choice. ACC Chairman Greg Conn says, "The ACC received direction from cattle producers to help increase the number of large animal veterinarians working in the province." He adds, "Supporting the WCVN will help ensure there is high quality veterinary care available to Alberta cattle producers. High quality veterinary care provides the Alberta cattle industry with a competitive advantage by helping to minimize losses and keeping the industry on the forefront of new veterinary technologies."

ELECTION BACKGROUNDER



ZONE 1

Zone 1 Includes: County of Vulcan No. 2, County of Newell No. 4, County of Forty Mile No. 8, M.D. of Taber No. 14, M.D. of Cypress No. 1, that area of Special Area No. 2 that lies south of the Red Deer River

ELECTED BY ACCLAMATION

Brad Calvert and wife run a cow/calf and backgrounding operation at **Bow City**, southwest of Brooks. Brad met his wife while on a year-long agricultural exchange program on a ranch in Australia. He was a United Grain Growers delegate until the organization went public. Brad wants to get involved with the ACC because he feels that as a producer he should share the responsibility for setting policy for the industry. He says, "The ongoing trade issues with the United States and other important issues to do with improving demand for our product are my main concerns."

Arno Doerksen and family run a purebred and commercial cow herd together with his father and brother at **Gem**. They background and finish calves in their feedlot and do some custom feeding. Arno has been active in a number of community organizations and has been involved with the ACC and the Canadian Cattlemen's Association as a delegate and director for several years. He currently serves as ACC vice-chairman. Arno looks forward to continuing with your support.

Tom Livingston and wife run a cow/calf and yearling operation at **Duchess**. The cow herd consists of Angus-Limousin cross, bred by AI to either Angus or Limousin bulls. They market replacement heifers, along with crossbred bulls. Tom feels there are many issues confronting the industry such as endangered species, cross border issues, herd health, long gun registration, grazing lease concerns and surface rights problems that seem to always be with us. Tom says, "I believe I can contribute to the cattle industry in most of these areas."

Merle Wyatt and family operate a mixed grain farm in the **Arrowwood** district. They raise purebred Charolais and Herefords and have a cow/calf program. Merle has been president of the Northwest Fire Protection Association, a former 4-H leader and past member of the local Lions Club. He is currently president of the Southern Alberta Cattle Breeders' Association. Merle says, "Cattle have always been a major part of my life and I feel there are major areas of concern in the cattle industry including trade, relations with the United States and promotion of beef consumption."

SITTING DELEGATES



Lou Bertschy
Milo, (403) 599-3800

producer liaison
committee

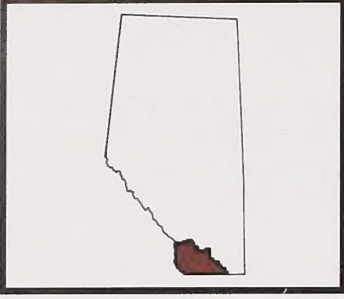


Joan Hughson
Foremost, (403) 867-2343

beef promotion
committee and
zone coordinator



Dennis Stretch
Vulcan, (403) 485-6803



ZONE 2

Zone 2 Includes: County of Warner No. 5, County of Lethbridge No. 26, M.D. of Cardston No. 6, M.D. of Pincher Creek No. 9, M.D. of Willow Creek No. 26, M.D. of Ranchlands No. 66, I.D. No. 4, I.D. No. 5, I.D. No. 6, the Municipality of Crowsnest Pass

ELECTED BY ACCLAMATION

Jack de Boer is a partner in a farm and feedlot operation in the **Monarch** area and has just completed a two year term as an ACC delegate. He has served on the public affairs committee and is also the zone two representative on the cattle feeder council. Jack says, "I am happy to serve for another term as a delegate for zone two."

Marvin Conrad and family have a cow/calf, bred heifer and grain operation near **New Dayton**. Marvin served on the ACC Board of Directors this past year. He was also the ACC representative on the Canadian Cattle Identification Agency board. Marvin feels the ACC is the most effective vehicle for cattle producers to deal with important cattle industry issues like health, land use, image, promotion and government relations.

Hugh Lynch-Staunton and family operate a ranch of long standing on both private and public land north of **Lundbreck**. They run a herd of MI Beefbooster cows. Hugh has represented the Western Stock Growers' Association as an ACC producer association delegate. He has served on the government affairs and beef promotion committees and as a Canadian Cattlemen's Association (CCA) director. He is currently CCA finance chairman.

Grant Nelson has been involved in the growth and development of all aspects of the cattle industry since the early 1960s. He has a large cow/calf base and also owns an 8,000 head feedlot at **Stirling**. He farms dryland and irrigation and strongly believes in year-round wise use of time. Owner of Nelson Family Ranches, a diverse operation that has grown in the family since the turn of the century, Grant has developed the business into a successful family organization. He values family, church, community service and business - and manages to keep a balance between them all.

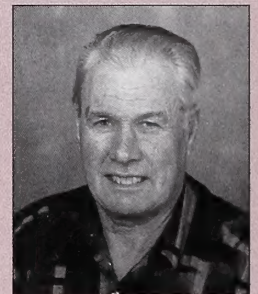
SITTING DELEGATES



Judy Nelson

Lundbreck, (403) 628-2381

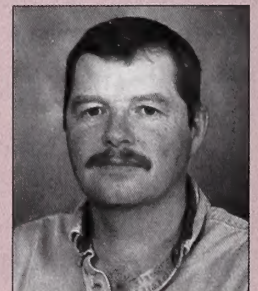
producer liaison
committee



Len Vogelaar

Pincher Creek,
(403) 627-2078

cattle feeder council
chairman



Les Wall

Coaldale, (403) 328-6565

public affairs
committee



ZONE 3

Zone 3 Includes: County of Wheatland No. 16, County of Mountainview No. 17, M.D. of Big Horn No. 8, M.D. of Foothills No. 31, M.D. of Rockyview No. 44, I.D. No. 9

ELECTED BY ACCLAMATION

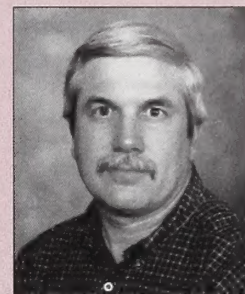
Bruce Bamford and family run a mixed farm south of **Calgary**. They have approximately 80 purebred Charolais cows and supply bulls to the commercial side of the industry. Bruce says, "I have been involved in agriculture all my life and participated as a youth in the 4-H program. Being involved with Charolais, I have served as a director on the Alberta Charolais Association and on committees at the national level. I enjoyed my first two years as an ACC delegate and served as zone three coordinator for both years. I feel that we as cattle producers must continue to work through the ACC to educate our consumers, promote our product and promote our industry."

Ernie Israelson and family have been actively involved in agriculture west of **Didsbury** for the past 32 years. Currently his operation is comprised of 1,600 acres of grain, silage and hay with a 200 head cow herd and a backgrounding component for 500 to 600 calves. Over the years, his family has been involved in 4-H clubs and Didsbury service organizations. Ernie says, "I was on the Alberta Cattle Feeders' Association board for six years and was the ACFA delegate to the ACC for three of those years. Currently I am a sitting member on the Development Appeal Board for Mountain View County #17. I believe the ACC has been a strong voice for the cattle producers in our province and look forward to working to continue that tradition."

Alvin Kumlin and family own and operate a 350 head cow/calf herd west of **Calgary**. Alvin was a 4-H leader of the local beef club for 14 years, executive and president of Foothills Forage Association in its formative years, and president of Action for Agriculture for four years. Alvin is interested in being an ACC delegate to promote the benefits of the check-off and the provincial and national programs the check-off supports.

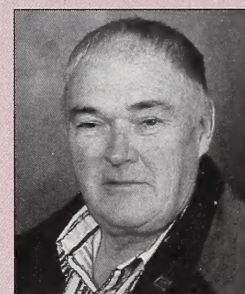
Scott McKay and family run a 700 head cow/calf operation near **Kathyrn**. He has been actively involved in beef cattle production for over 30 years. Scott graduated from the University of Alberta with a degree in agriculture. He has been a Calgary Stampede beef committee volunteer for over 20 years, as well as holding various executive positions in purebred cattle organizations. Scott and his family have had considerable experience in international trade of cattle, semen and embryos through their export company. Scott feels he has the experience and desire to contribute to the activities of the ACC.

SITTING DELEGATES



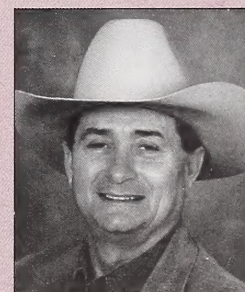
Michael Bird
Blackie, (403) 684-3446

beef promotion
committee chairman



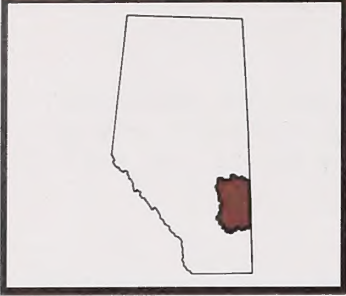
Charles Groeneveld
High River, (403) 938-7843

producer liaison
committee and
zone coordinator



David Pope
High River, (403) 652-6827

government affairs
committee



ZONE 4

Zone 4 Includes: County of Paintearth No. 18, County of Flagstaff No. 29, M.D. of Acadia No. 34, M.D. of Provost No. 52, M.D. of Wainwright No. 61, that area of Special Area No. 2 that lies north of the Red Deer River, Special Area No. 3, Special Area No. 4

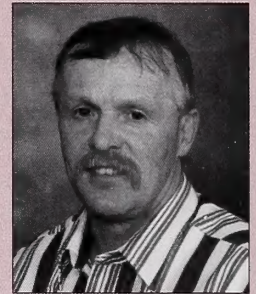
ELECTED BY ACCLAMATION

Gene Rawe and family of **Strome** operate a 750 head cow/calf operation with both commercial and Charolais cattle and hold their own bull sale each spring. They also maintain a small feedlot where they are able to background and finish as the market dictates. Gene says, "A degree in agricultural economics has provided me with a broader perspective of our changing market and the policies involved. I have enjoyed serving the last two years on the ACC as I felt it the best way to carry forward and represent the opinions of my fellow producers."

Ken Rawluk and wife operate a mixed operation north of **Lougheed**. Ken says, "In the past I have sat on Flagstaff County Ag Service Board as an advisor. I have been involved with several local minor sports teams and am a ski instructor. I would like to see the ACC keep up the good work promoting Alberta beef."

Carol Wilson and husband are third generation cattle producers who raise purebred Angus near **Killam**. Carol says, "The cattle industry is multi-faceted and an asset I can bring is that women do see life differently than men - God created us that way. I feel the environment is extremely important - water, soil and air quality."

SITTING DELEGATES



Craig Horner

Hanna, (403) 566-2494

public affairs
committee chairman



Glen Rosenau

Cereal, (403) 326-2010

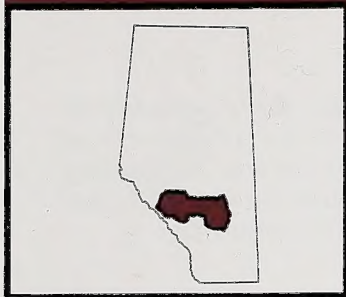
producer liaison
committee



Marj Veno

Hanna, (403) 854-2487

producer liaison
committee chairman



ZONE 5

Zone 5 Includes: County of Stettler No. 6, County of Lacombe No. 14, County of Red Deer No. 23, M.D. of Badlands No. 7, M.D. of Starland No. 47, M.D. of Kneehill No. 48, M.D. of Clearwater No. 99

CANDIDATES

Millie Boake and family raise purebred Angus and Shorthorns, and have a commercial cow/calf operation at **Rocky Mountain House**. Having completed two years as an ACC delgate, she has served on the Beef Information Centre, producer liaison committee, the resolutions committee, and as zone coordinator. Millie says, "Educating the consumer that beef producers are providing a safe, nutritious and high quality product is of great importance and I would like to continue my involvement with the work the ACC is doing."

Kevin Boon and family run a cow/calf and backgrounding operation near **Delia** on the farm homesteaded by his grandfather in 1910. Cattle have been the main focus of the farm for the past 10 years. Kevin has been an ACC delegate for the past four years and has sat on the beef promotion committee. He also spent the last four years as an Alberta representative to the Beef Information Centre, of which he has been the chairman for the past two years. Kevin says, "I feel the cattle industry in Alberta and Canada is at a point where we will see some major expansion and changes. With the rising awareness of food safety and herd health on a global level, we will see the fact that we in Canada have the best herd health worldwide - a huge benefit in the market place. The ACC will play a major and integral part of this advancement and I look forward to being a part of it and helping to shape the future of the cattle industry in Alberta."

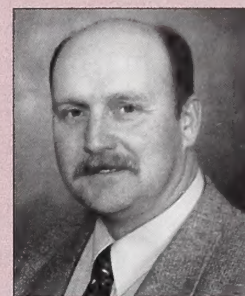
Don Curtice and wife operate a background feedlot and bull testing facility near **Innisfail**. Their farm is a third generation operation. Don served a six year term as an ACC delegate then took a couple of years off. Don says, "During the last two years I sat on the public affairs committee and was elected to the Cana-

dian Cattlemen's Association (CCA) where I sit on the Beef Cattle Research Council and environment committee. I find both the ACC and CCA interesting and challenging."

Barry Haner and family operate a mixed cow/calf, yearling heifer and grain farm northeast of **Stettler**. Barry has been involved in many community organizations and as an ACC delegate for the past four years. During that time he has been involved in promotion and market development, served on the board as zone five director and was recently elected vice-chairman of the Beef Information Centre. Barry believes the ACC is an important voice to maintain a strong producer organization and looks forward to another term as delegate.

Rob Somerville and family operate a full-time grain, cow/calf and backgrounding operation northeast of **Endiang**. His other interests and activities include sitting on the Stettler County ILO appeal committee, the Red Deer area agricultural development committee, and co-chairing the Ag Summit Action Team to Attract Equity Financing to Agriculture. Rob earned a masters of business administration degree at the University of Guelph and trained in ISO quality management systems; he is accredited to audit companies seeking ISO 9000 registration. Rob says, "I believe we need to focus on the marketplace to lead the beef industry into the future and that the Canadian Cattle Identification Agency tagging initiative would serve producers better if it were market driven instead of driven by fines. I see a disease-free cow herd as key to our ability to be competitive and trade internationally, and that prevention is the best way of maintaining our enviable herd health status."

SITTING DELEGATES



Greg Conn

Innisfail, (403) 227-6656

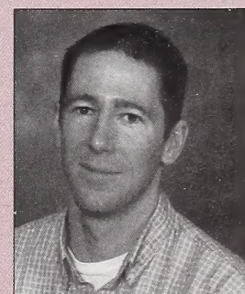
ACC chairman



Clinton Kautz

Rocky Mountain House,
(403) 729-2027

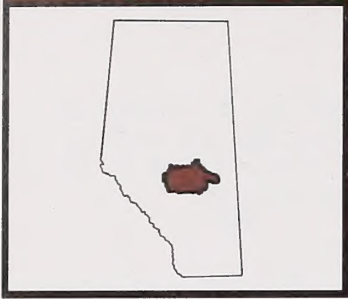
technical committee



Shawn Morton

Lacombe, (403) 341-4378

government affairs
committee



ZONE 6

Zone 6 Includes: County of Ponoka No. 3, County of Beaver No. 9, County of Wetaskiwin No. 10, County of Strathcona No. 20, County of Camrose No. 22, County of Leduc No. 25, County of Parkland No. 31, I.D. No. 13, M.D. of Brazeau No. 77, City of Edmonton

ELECTED BY ACCLAMATION

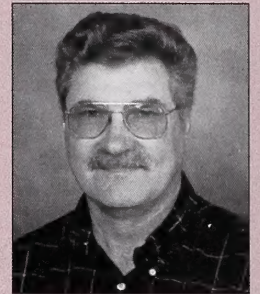
Roy Eckert has been farming for the past 20 years raising cattle, grain and silver fox. He is currently running a cow/calf and backgrounding operation at **New Sarepta**. Roy has been involved in the local agricultural society for the past six years. He has participated in the Classroom Agriculture Program for several years and is currently the program's chairman, as well as having organized an educational program through the local ag society. Roy says, "Our industry is changing so quickly that I feel involvement in our provincial organization is very important for all producers. As a delegate I hope to be able to gain a greater understanding of the issues, and share that information with my fellow producers."

Curtis Henkelmann is part of a cow/calf and grain farming operation southwest of **Leduc**. Along with farming, he also works as one of the agricultural fieldmen for Leduc County. Over the past two years, Curtis has been involved with the ACC public affairs committee. Curtis says, "This has been a real experience for me. Through the committee, I sit on the Alberta Environmental Farm Planning Steering Team along with other industry players and producer groups. I also have been part of the North Saskatchewan Watershed Alliance Group. Today in order for our industry to grow and stay viable it is very important we stay involved in the industry, and by educating and being educated, I believe we can be sustainable. I really look forward to being able to represent zone six for another term."

Allan Minchau and family run a 250 head cow/calf operation west of **Millet**. Allan says, "As this is our only business, we run it as such and that's why I want to be involved in the ACC. I will work hard to keep our industry going in the right direction. I believe the future is bright for the beef industry in all sectors and there is no better place than here in Alberta."

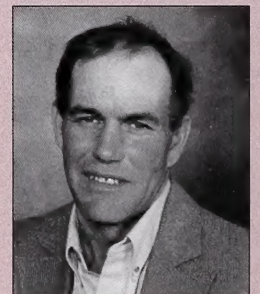
Rodney Schlant operates a feedlot east of **Camrose** where he backgrounds calves to finish and is also involved in his brother's cow/calf operation. Rodney says, "I am interested in working with the ACC in continuing to keep the beef industry strong."

SITTING DELEGATES



Marvin Molzan
Leduc, (780) 986-2417

beef promotion
committee



Dave Solverson
Camrose, (780) 672-7141

ACC representative
to CBEF and
producer liaison
committee



Perry Sundquist
Westerose, (780) 586-2261

beef promotion
committee



ZONE 7

Zone 7 Includes: County of Thorhild No. 7, County of Barrhead No. 11, County of Athabasca No. 12, County of Lac St. Anne No. 28, M.D. of Woodlands No. 15, M.D. of Opportunity No. 17, M.D. of Sturgeon No. 90, M.D. of Westlock No. 92, M.D. of Yellowhead No. 94, M.D. of Lesser Slave River No. 124, I.D. No. 12

ELECTED BY ACCLAMATION

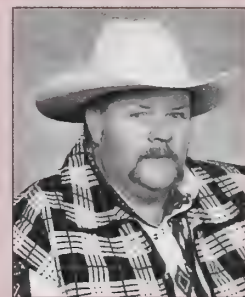
June Conrad has a mixed farming operation at **Hondo** where she raises purebred Simmentals and commercial cattle. June has been on the Smith-Hondo Agriculture Society since 1979. She also was a municipal councillor for 12 years (1986-1998), sat on hospital and health unit boards and was appointed to the Regional Health Authority Aspen #11 in 1994. As well, she has been a member of the Agriculture Service Board M.D. #124 for several years. June says, "With my years of experience with farming and working with government officials, I feel I have to contribute to this organization."

Lee Davis and family farm in the Hattonford area north of **Niton Junction**. They run a cow/calf and background operation. Lee has completed one term as an ACC delegate. He has been a director for the Niton Junction REA and Lobstick Gas Co-op for a number of years. Lee is also a member of the local agricultural society and a supporter of the local 4-H club.

Dale Greig and wife run 150 commercial and purebred cows on 800 acres eight miles west of **Barrhead**. Dale has been active in community and producer organizations for many years. He is currently involved in the Barrhead Ag Society, Barrhead Light Horse, Three River Saddle and Gymkhana, Meadowview 4-H Light Horse and Barrhead United Church. Dale served three terms with the ACC from 1984 to 1990. During that time he was zone director; director-at-large; chair of the market information, producer liaison, market development committees; vice-chairman and Canadian Cattlemen's Association director. Dale believes the ACC is an important part of the Alberta cattle industry and that a strong producer organization is necessary. He would like to again contribute time to help maintain a strong Alberta cattle industry.

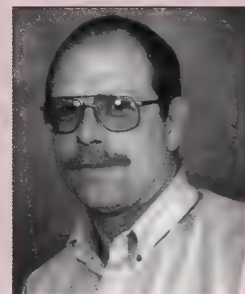
Dale Schaffrick runs a cow/calf operation in the Mystery Lake area near **Barrhead**. Dale says, "I have served on a number of farm related associations and like the opportunity to have a first hand view of our industry and being a part of developing its future and conveying the hopes of my fellow farmers."

SITTING DELEGATES



Joe Dobyanski
Westlock, (780) 954-2165

producer liaison
committee



Murray Kerik
Flatbush, (780) 681-2244

technical committee
chairman and
zone coordinator



Charles Westra
Gibbons, (780) 998-9083

public affairs
committee



ZONE 8

Zone 8 Includes: County of Lakeland, County of Smoky Lake No. 13, County of St. Paul No. 19, County of Two Hills No. 21, County of Vermilion River No. 24, County of Minburn No. 27, County of Lamont No. 30, M.D. of Bonnyville No. 87, Municipality of Wood Buffalo, I.D. No. 24

CANDIDATES

Miles Belsheim and family of **Marwayne** manage 325 cows, half of which are in a custom arrangement. They graze all their land, buy all their feed and background their own calves. Miles says, "I believe the ACC needs to promote our industry at home and internationally. We also need to promote our product as being safe, environmentally sustainable and animal welfare friendly."

Larry Cherniwchan and family operate a cow/calf ranch at **Bellis**. He has been an ACC delegate for the past two years sitting on the government affairs committee. Larry says, "I feel the two main issues facing beef producers in the future are marketing our product and environmental concerns."

Bill Fox operates a mixed farming operation and a land restoration business west of **Bonnyville**. His educational background includes graduating from the practical agricultural program at Vermilion School of Agriculture (now Lakeland College). He is also a member of the Alberta Conservation Tillage Society. Bill has been an ACC delegate for one year and sat on the public affairs committee. He represented the ACC on the North Saskatchewan Watershed Alliance Steering Committee which deals with the health of the North Saskatchewan River and its tributaries throughout Alberta and beyond. Bill says, "I believe the concerns addressed by these committees are vital to the ongoing awareness and progress of the cattle industry and agriculture in our province. I would appreciate having your vote to enable me to serve another term on the ACC."

Bill Stewart and wife have ran a cow/calf herd and pedigree seed operation north of **Vegreville** for the past 30 years. He is involved in the Eaglehill Lodge Foundation, Hairy Hill Elks and the Hairy Hill 4-H Beef Club, and is a former councillor for the County of Two Hills. Bill has served on both the Alberta Environmentally Sustainable Agriculture Council and the local agricultural service board. He spends his spare time team roping with the Lakeland Rodeo Association. As an ACC delegate, Bill will continue his support for environmentally sustainable beef production.

Edward Wanke has a small cow/calf operation at **Lac La Biche** and is also employed in the oil and gas industry. Edward says, "This gives me firsthand knowledge of the challenges all producers face. Also, as an off-road ATV enthusiast, I can relate to the issues in this area. Because I am relatively small and trying to grow my operation, the challenges I face can be used to help all aspects of our industry."

SITTING DELEGATES



Brian Chomlak
Beauvallon, (780) 366-2180

beef promotion
committee and
zone coordinator



Guy Fontaine
Bonnyville, (780) 428-0707

public affairs
committee and
ACC representative
to AFAC



Howard Thomas
Lac La Biche,
(780) 623-4542

producer liaison
committee

ELECTION BACKGROUNDER



ZONE 9

- 9-1 M.D. 23 (High Level, Ft. Vermilion, La Crete areas), that area of M.D. 22 north of Chinook Valley Road (Keg River, Manning and Dixonville areas)
- 9-2 M.D. 21 (Worsley, Cleardale, Hines Creek areas), M.D. 136 (Fairview area), M.D. 135 (Berwyn, Grimshaw, Peace River areas), M.D. 131 west (Three Creeks, Nampa areas), that area of M.D. 22 south of Chinook Valley Road
- 9-3 M.D. 20 (Gordondale, Silver Valley areas), M.D. 133 (Spirit River area), M.D. 19 (Wanham, Eaglesham areas), M.D. 130 (Smoky River, Falher areas)
- 9-4 County No. 1 (Grande Prairie, Beaverlodge areas), M.D. 16 west of Simonette River
- 9-5 M.D. 16 east of Simonette River (Valleyview, Debolt, Little Smoky areas), M.D. 125 (High Prairie, Kinuso areas)

CANDIDATES

Jason Deuchar and family operate a cow/calf ranch at **Joussard** 35 km east of High Prairie. They back-ground most of their calves and also raise purebred Red Angus cattle. Jason says, "If elected I would help work towards keeping Alberta disease-free through lobbying and education. I also feel strongly towards expanding our export markets into Asia and Europe, creating higher demand for our quality beef and creating higher returns for the producers who raise the world's best beef."

Phil Fazikos runs a small cow/calf operation at **Deadwood**. He also grows and sells hay and raises draft horses for farm work. For the past three years Phil has sat as a municipal district councillor. His hobbies include flying and paintball.

Garry Gurtler is a farmer, rancher and woodlot operator at **North Star**, about 60 miles north of Peace River. With his son's help on the farm, Garry has more time for his other favorite interests, those being zone and Beef Education Association coordinator for zone nine. Garry says, "Being zone coordinator is one of the most rewarding jobs that I have ever done. After traveling through zone nine for the past 10 years, everybody seems to know the ACC representative with the black ACC vest and red beard."

Shelley Morrison worked in the finance industry for approximately seven years gaining experience in lending, collecting and management practices before returning to the family farm at **Debolt**. She worked as a weed

inspector for Municipal District #16 for two seasons and then began ranching full time with her parents. The operation has ran as a joint venture since 1994. They have their own cattle and land but cooperatively run a viable business. The operation consists of 200-300 cow/calf, 300-400 backgrounders and 50 horses. They have recently increased the land base which may entail adding grassers and/or custom pasturing. Shelley says, "It is my duty besides basic operations to manage the finances. My motto is no idea or question is stupid."

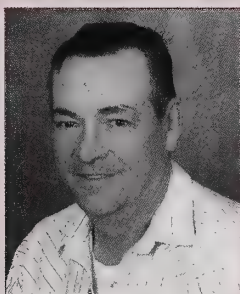
Brenda Schoepp has been involved in the agricultural production, value added and marketing industry for the past 22 years. She has presented more than 500 workshops and seminars across Canada and written over 1,200 articles for publications in Canada and the United States. Her guest market commentary can be heard on CJXX radio Grande Prairie. Brenda owns BEEFLINK, an agricultural consulting company and national beef market newsletter. She is one of the original 19 Canadians trained in quality assurance and has enjoyed numerous courses in communication, business and marketing, conflict management and grass and forage production. A certified mediator, she specializes in farm succession. Home base is the Rio Grande Grazing Co., of **Beaverlodge**. Brenda says the ranch reflects the belief of the family in integrity, teamwork, research, marketing and value added. She enjoys people and her community. Brenda is an active volunteer, serves as a resource for the agricultural colleges in Alberta and is currently a member of the Agriculture and Food Council.

SITTING DELEGATES



Maarten Braat
Fort Vermilion,
(780) 927-3800

technical committee

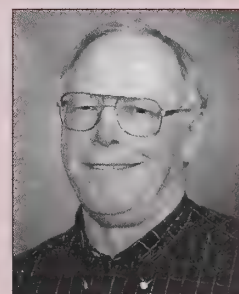


Dennis Gellings
Bear Canyon,
(780) 595-2143
government affairs
committee



Bruce Jack
Spirit River,
(780) 864-2297

beef promotion
committee



Cec Jardine
Valleyview,
(780) 524-3507

ACC finance chairman



Robert MacAlister
Wembley,
(780) 766-2741
producer liaison
committee



Chairman's Report

Creating New Opportunities, Overcoming Issues



Greg Conn
ACC Chairman

With record high prices for finished cattle this past winter, and drought conditions over much of the province, it yet again goes to

show that the opportunities and challenges in our industry never cease. part of 2002. The ACC made a submission supporting the three per cent interest bonus for reinvestment into research and development, mandatory withdrawals when a payment is triggered, and that NISA be the first line of defence for producers when there is an income deficiency.

Again, in response to an annual meeting resolution a committee was set up to review the ACC's existing honorarium and expense structure. This committee surveyed the industry and comparable organizations and their recommendations were accepted and approved by the board.

The ACC's new strategic plan, *Beef in the New Millennium*, has been completed. We are repositioning the ACC as the Alberta Beef Producers to more effectively describe our focus and who we are. We have already begun to implement some aspects of the new plan by accepting a government affairs subcommittee recommendation that each zone appoint a "political intelligence officer" to work on regional government relations, and by creating the cattle feeder council. The council is comprised of one representative from each zone and three representatives from the Alberta Cattle Feeders' Association. The council is up and running and has proven to be very helpful in reviewing and advising on issues pertaining to the feeding sector of our industry.

One of the challenges that faced our industry this year was the outbreak of Foot-and-Mouth Disease around the world and the threat of the disease coming to Canada. This kept staff and delegates very busy communicating with many concerned producers who were calling and asking questions. It was a learning curve for everyone involved, as well as a wake-up call. We need to benefit from

this unfortunate experience and make sure that our industry is more prepared now, and in the future, than we have been in the past.

Ironically one of the opportunities our industry has before it coincides with the Foot-and-Mouth outbreak in the United Kingdom – that being the benefits of our national cattle identification program. The program started January 1, 2001. Overall acceptance of the program has been very good, with demand for tags sometimes exceeding supply. The increase in awareness of foreign animal diseases has shown how important it is to have a national herd identification program.

The ACC has initiated an Alberta beef industry reputation management and media monitoring and response pilot project. This is in response to concerns about the sometimes negative images portrayed of our industry and the need to have timely and regional responses to issues as they arise. This program will be evaluated after the first year of operation.

Direction from our annual meeting also led to the ACC calling for the Agricultural Dispositions Statutes Amendment Act to be rescinded. At time of writing, we were still waiting for Sustainable Resources Development Minister Cardinal to come up with his recommendations based upon MLA Dave Broda's report and other input from the industry, including the ACC's.

The new Alberta Livestock Industry Development Fund is up and running. The deadline for receipt of the first round of pre-proposals was September 14, and those are now under review.

The ACC has been part of an industry committee working towards some possible solutions regarding the livestock sales conversion issue.

show that the opportunities and challenges in our industry never cease.

The Alberta Cattle Commission (ACC) has been working hard over the last year to overcome the challenges and create new opportunities for producers to benefit and prosper in the beef industry.

In response to resolutions passed at our annual meeting last December, your ACC board of directors has lobbied for a new national Beef Industry Development Fund. The federal government and the Alberta government have committed to the idea, but the federal government is waiting for further commitment from the rest of the Canadian beef industry before proceeding. The ACC is concerned that if one or two other major beef producing provinces do not soon step up to the plate that these much needed funds could be lost to our industry. If this happens, the ACC would do everything possible to work with our provincial government to try and keep at least the provincial monies directed towards the Alberta beef industry.

Based on ACC recommendations arising out of another annual meeting resolution, NISA has been approved for Alberta cattle producers and includes the 2000 taxation year. NISA is currently under review and hopefully there will be recommendations for change in the first



Chairman's Report

The Livestock Identification Services (LIS) cost benefit study has been completed. A copy of the report and its recommendations is available to anyone wanting one. Both the Alberta government and LIS have committed to acting on the report's recommendations in a timely manner.

The ACC has pushed for a new coordinated beef marketing strategy to better plan for the future and be more accountable to our producers and their check-off dollars. This idea has been well-received within the industry and the Canadian Cattlemen's Association (CCA). As a result, a new Global Beef Marketing Strategy received approval from the CCA board of directors at the summer meeting held in Charlottetown, P.E.I. The new strategy ushers in a more coordinated approach between the Beef Information Centre (responsible for domestic beef marketing), the Canada Beef Export Federation (responsible for marketing Canadian beef in Asia and Mexico) and Beef Marketing Services International (develops branded programs to promote the sale of Canadian beef to the United States).

In July, the Alberta government announced a new intensive livestock operations approval process for new and expanding facilities. It will involve technical approval, monitoring and enforcement by the Natural Resources Conservation Board, and provincial review of municipal land use decisions. It will help to resolve the many problems that intensive operations have encountered in siting and approving new facilities in some rural municipalities. It is to be up and running by January 1, 2002.

This past year, the ACC's beef promotion committee received full support and backing from the board of directors to update and enhance our Alberta beef promotion and advertising campaign. The introduction of the *RanchERs* and development of a new Alberta beef logo coincided with the opportunity to become a major sponsor of the World Championships in Athletics in Edmonton. Overall, this huge undertaking by the beef promotion committee and staff has proven to be very successful and will be a great asset for the future.

The ACC's semi-annual and annual general meetings have been given permanent locations in Edmonton and Calgary respectively.

In May, the ACC co-hosted the 12th Annual Red Meat Reception in Edmonton for government members. This was a great opportunity for board members to

get to know MLAs and their staff, and to talk about the issues facing our industry. With over 50 MLAs in attendance - including Premier Klein and Deputy Premier and Alberta Agriculture, Food and Rural Development Minister McClellan. It was a huge success.

These are but some of the issues and projects that the ACC board has been working on over the past year. There are many more issues being addressed and projects underway within our committees. The committee chairmen will expand on their committee's activities in their reports.

I have very much enjoyed working with the board and our staff during the past year. Their dedication and commitment has truly benefited our industry.

**Greg Conn, Innisfail
ACC Chairman**



BOARD OF DIRECTORS

left to right: Gary Sargent, General Manager; Glen Thompson, Iron Springs; Jim Turner, Cochrane; Murray Kerik, Flatbush; Arno Doerksen, Gem; Barry Haner, Red Willow; Cec Jardine, Valleyview; Michael Bird, Blackie; Greg Conn, Innisfail; Marvin Conrad, Stirling; Craig Horner, Hanna; Len Vogelaar, Pincher Creek; Guy Fontaine, Bonnyville
away: Gary McMorris, Milo; Dave Solverson, Camrose; Marj Veno, Hanna

ACC STAFF:

- Gary Sargent,
General Manager
- Joanne Lemke,
Manager, Public Affairs
- Michael Kuntz,
Controller
- Julie Pidhirney,
Office Manager
- Ron Glaser,
Public Affairs
Coordinator
- Kelly Hyde,
Promotion Coordinator
- Laurie Barrett,
Receptionist



Government Affairs

Working For Effective Government



Gary McMorris
Government Affairs
Chairman

At our first meeting the committee considered 23 resolutions from the 2000 annual general meeting. Of most significance to our

industry was the resolution that cattle sales be included in NISA, which was approved by the federal government. NISA is currently under a review process that should develop recommendations for change during the first part of 2002. The review committee wanted input on how to make NISA work more efficiently and not be used as an investment tool. The Alberta Cattle Commission (ACC) made a submission supporting the three per cent interest bonus being reinvested into research and development for the beef industry, with mandatory withdrawals when there is a trigger. The ACC recommended that NISA be the first line of defence for producers when there is an income deficiency.

In December 2001, Minister of Alberta Agriculture, Food and Rural Development Shirley McClellan asked the ACC to participate in a review of bison grazing on public land. The review has a committee consisting of the Alberta Association of Municipal Districts and Counties, the Alberta Bison Association, the ACC, the Alberta Fish and Game Association, the Alberta Grazing Leaseholders Association and the Federation of Alberta Naturalists. The discussions have been on health problems, forage requirements, Wood Buffalo National Park - infected herds,

fencing problems, danger to the general public, etc. The ACC has written letters to Minister McClellan and Minister of Sustainable Resource Development Mike Cardinal expressing our concerns. A discussion by the committee will be held in November on whether bison should be allowed to graze on public land.

Concerning Bill 31 (the Agricultural Dispositions Statutes Amendment Act), Dave Broda, the MLA for Redwater, compiled the submissions and gave his report to Minister Cardinal. The ACC has received a reply from Cardinal stating he would make his decision in October or November. On April 2, 2001 we wrote to Minister Cardinal, following up on a resolution that the ACC lobby the provincial government to rescind Bill 31. Minister Cardinal responded that he would include this in his data. The Surface Rights Federation and the Alberta Grazing Leaseholders Association support this resolution.

In May, the government affairs committee wrote a letter to Minister Cardinal asking what is the rationale for putting the Public Lands Act and the Surface Rights Act under the Ministry of Sustainable Resource Development. Our Chairman Greg Conn pursued this in later discussions but no change is forthcoming. In May, we attended a Bill 31 stakeholder committee meeting called by the Canadian Association of Petroleum Producers. All members at this meeting want to maintain a united approach. The future of Bill 31 is still uncertain.

In May, we attended an Alberta Safety Net Coalition meeting in Olds with representatives from the grain, beef and pork industries. Then Agriculture Assistant Deputy Minister Ray Bassett described the new changes in crop insurance. All of the changes recommended by Charlie Mayer's committee were not implemented.

However, Bassett said that some of them could be implemented in the near future. This might make crop insurance more acceptable for producers. Pasture insurance is continuing with three pilot projects throughout the province. In the past, crop insurance had trouble determining growth of pasture. These pilot projects are using different methods to determine growth such as GPS satellite imagery, etc. Producers and organizations have to keep pressing government to implement proper changes to crop insurance to make it a beneficial tool.

The federal government's \$500 million aid package announced this spring was also discussed. Alberta received 26 per cent of the total amount.

We have participated in the Land Resource Partnership who have a broad base membership of major resource industries and recreational groups. We discussed the Species at Risk Act and more specifically the Pearse Report on compensation to leaseholders. Several groups have made presentations in Ottawa this past May. The approach by federal Environment Minister Anderson appears to be less confrontational.

At the last AGM we supported the Special Areas Water Diversion Project. However, after a report by ACC Chairman Greg Conn who sits on the South Saskatchewan River Basin committee, the government affairs committee decided not to support this project. It has expanded beyond livestock watering and has an estimated cost of \$170 million.

A subcommittee was formed to develop recommendations for improving government relations. They recommend each zone take more responsibility to communicate with their MLAs.

The ACC has taken a proactive approach to wolf management. We will review our progress in October to determine if the program has been



Technical

successful and decide if it will receive additional funding.

The government affairs committee decided not to address the resolution that cattle be removed from the Farm Income Disaster Program (FIDP). We brought our recommendation to the delegate body at the semi-annual meeting and they supported us in this decision. The FDIP program, while flawed in some ways, has been helpful to grain and livestock producers during income disaster situations.

We had a resolution in favor of paid hunting on private land and a letter was sent to the government. Their response was they were aware of the issue but need more public consultation. They stated it is a sensitive issue and it will have to be dealt with relatively soon.

The ACC made a submission to the Klapstein committee on intensive livestock operations (ILOs). The government has drafted legislation to be introduced this fall. The ACC is satisfied with the recommendations. It coincides with our submission defining provincial responsibility for regulations, enforcement, and limited appeals. Counties and MDs will still be involved with areas criteria for siting. This move by the provincial government should stop most of the problems with ILO appeals.

The ACC has been working on the Farm Property Assessment review (which is a new way to tax farm land) and is also looking at ways to make the education tax more fair. We have received a draft report based on the footprint concept of basing taxation of agricultural land on

production, an idea originally brought forward by the Alberta Cattle Feeders' Association. We formed a subcommittee and have submitted our objections to portions of the draft report.

Other ongoing issues include the potential problem with Fusarium fungus in feed barley. The efforts of TransCanada Trail and Alberta TrailNet seem to have stalled in Alberta for the time being, but will no doubt continue to be a concern for landholders in the near future.

I would like to thank the government affairs committee for their cooperation, hard work and expedience in addressing the many issues put before us this year.

Gary McMorris, Milo
Government Affairs Chairman

Bringing Research Benefits to Producers

The Alberta Cattle Commission (ACC) technical committee's objectives are to help fund projects which give Alberta producers an advantage or are mainly applicable to Alberta operations.

We have funded several projects this year recommended by the cattle feeder council such as a feedlot soil profile study and a Bluetongue and Anaplasmosis study. Other projects which we have been involved with this year are:

- prevalence of Neospora disease in feedlot calves,
- Johne's Disease working group, and
- near infrared spectroscopy to predict degradable and undegradable intake protein in feeds.

We have also been involved with animal health issues such as Chronic Wasting Disease (CWD) which is occurring in elk and deer herds in the United States and Saskatchewan. We have been extremely concerned about the disease-infested bison herd in Wood Buffalo National Park. Our concern is based on

the fact that these animals don't stay in the Park and the chance exists that they may transfer their disease to domestic bison or cattle herds.

We have also been struggling with the problem of how to get research results into the hands of producers so they can produce better beef or be more cost effective with their production costs.

The technical committee continues to co-fund the animal health investigator along with the Alberta Energy and Utilities Board and Canadian Association of Petroleum Producers. This position investigates cases of assumed impacts on cattle herds from oil and gas production.

The Alberta Animal Health Investigation Procedure represents a unique initiative by the government, cattle and petroleum industries to work together to resolve concerns and conflicts involving the potential health effects of environmental contamination. Concerns that are reported to the regulatory agencies will now be investigated and

recorded in a consistent manner.

At time of writing, the technical committee has several more research proposals to review.



Murray Kerik
Technical Chairman

Several members of our technical committee also represent Alberta on other research funding groups such as the Canada-Alberta Beef Industry Development Fund and the Beef Cattle Research Council.

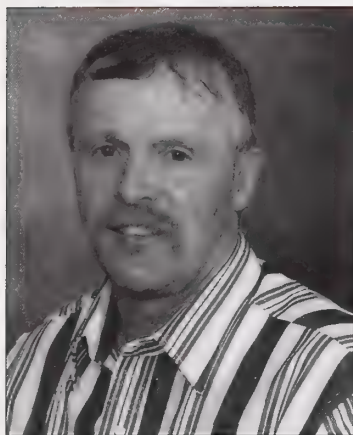
We look forward to continuing to provide industry support to the research community in Alberta.

Murray Kerik, Flatbush
Technical Chairman



Public Affairs

Environment Important Issue For Industry



Craig Horner
Public Affairs Chairman

The 2001 public affairs committee has been busy right off the mark. The committee maintains a good mix of new and experienced

members that has proved equal to the task. The public affairs mandate which is to protect, enhance and promote environmental and animal welfare issues that affect our cattle industry means that our committee's workload has been increasing. The committee met four times during the year but our subcommittees and individual members carried the cattle industry's concerns to a host of other meetings dealing with our river basins, endangered species, animal welfare and sound environmental practices. It was a busy year with many challenges.

Water and Manure Management

- We participated in the expansion of the Cows and Fish initiative and have assisted in its reorganizational efforts to grow to meet the needs of producers across the province. Cows and Fish may become a joint venture between the participating organizations. New projects include the redevelopment of the Green Zone booklet and a University of Alberta cost benefit analysis of riparian management.
- The Alberta Cattle Commission (ACC) maintains its presence on the Oldman, Bow, South and North Saskatchewan watershed groups.
- We continue to support University of Alberta range management courses.
- The committee reviewed the cattle

wintering publication and reaffirmed our support for the project as the booklet was sent for a third printing, bringing circulation to 15,000.

Animal Welfare

- A subcommittee developed a submission for the Provincial Livestock Welfare Review that was considered and approved by the committee and the ACC board. The subcommittee responded to a broad questionnaire and provided a written submission that was presented to the review panel. The government weighed and considered the various industry submissions and released a summary. The committee responded with a letter to reinforce our shared views with the other agricultural organizations and stressed the need for Alberta SPCA accountability through a service contract. As a result, the government decided to endorse the service contract idea and agreed to fund the SPCA at its present level in a three year service contract that will be reviewed yearly.
- The committee is assessing the best way to educate producers on how and when compromised animals may be transported to seek treatment or for salvage. Look for a brochure later this fall outlining correct procedures.
- The committee is investigating the issue of cattle liner splash on our highways to see if we can find some common ground between the various industry sectors.
- The committee is participating in a coalition of farm groups and the provincial government to assess the Ontario Farm Plan as to its adaptability to Alberta and how, and by whom, it could be administered.
- The committee is working with Alberta Agriculture, Food and Rural Development to develop a cow/calf manual which will address issues of environ-

ment, animal welfare and food safety - and will highlight areas of risk and how best to manage them.

Other Committee Concerns

In response to a resolution at last year's AGM that read, "Be it resolved the ACC consider financing programs to promote and enhance the provincial image of the industry with a timely response to issues as they arise" - this resolution was taken to heart by our committee and staff and received much attention. It was decided to act on this resolution in two parts, the response portion and the image portion.

The media monitoring and coordination pilot project was endorsed and received board funding to address the response portion of the resolution. In brief, the media proposal involves hiring three contractors: Brenda Hunik, south (zones 1, 2, 4); Mary Dean, central (zones 3, 5, 6); and Kendall Olson, north (zones 6, 7, 8, 9) who are responsible for:

- Monitoring media in their respective regions of the province,
- Advising the program coordinator of upcoming events that may impact the beef industry,
- Staying apprised of changes with media coverage,
- Working with producers to develop response to media coverage,
- Coordinating special media events, editorial board meetings, etc., as needed, and
- Organizing workshops to help producers better understand, and have a confidence level to respond to local media coverage.

The board approved \$100,000 for the one year media monitoring and response pilot project.

> **see environment important on page 17**



Producer Liaison

Reaching Out to Producers

The 2001 producer liaison committee has been focused on fulfilling our mission statement: To listen to and take direction from cattle producers who pay check-off and ensure we make every effort to communicate what the Alberta Cattle Commission (ACC) is doing for producers.

We have positive feedback from producers who regularly listen to the Wednesday Cattle County radio program hosted by Jim Fisher that is sponsored by the producer liaison committee. This program has proven to be a great communication tool that touches the entire province with up-to-date information, interviews and news.

The Foot-and-Mouth outbreak in the United Kingdom and Europe dominated the news in the first six months of this year. As a result our 1-800 News Line which provides current news and information to media was used heavily.

Canfax market reports are aired daily thanks to producer check-off funds that the producer liaison committee designates for that purpose.

The committee continues its strong support of 4-H, funding scholarships and the production of beef achievement day radio advertisements featuring 4-H

members. Participating radio stations find local sponsors to pay for airtime or cover the costs themselves. The number of 4-H scholarships has been increased from two to four valued at \$500 each.

All producers paying check-off should receive the Grass Routes publication which provides information on current issues. The January issue includes photos and phone numbers of ACC delegates and all resolutions passed at the annual general meeting in December. Eight other single page issues are produced annually and included in *Alberta Beef* and *Cattlemen* Magazines.

The ACC website is continually being updated and expanded to include more library items. Our front page currently sports the new "If it ain't Alberta, It ain't Beef" image. The new internet address for the ACC website is

www.albertabeef.org. Many consumers and school kids are using the site and find the new address better describes what they are looking for.

We continue to support Rural Crime Watch and have a delegate who attends Rural Crime Watch meetings to provide a strong connection between the two organizations.

Fall producer meetings and delegate elections take place in early November. There are four to six meetings in each zone across the

entire province. Each meeting includes an audio visual presentation that gives producers an informative update on the ACC's activities over the past year. Producers will also be informed about current and future issues facing the ACC. These meetings provide producers with a great opportunity to make resolutions and suggestions that will give direction to ACC policy.

I encourage all producers to check the list of meetings coming up in your zone and attend one. Your interest and enthusiasm helps keep delegates and staff working hard on your behalf.

**Marj Veno, Hanna
Producer Liaison Chairman**



> **environment important continued from page 16**

A proposal to develop a reputation management strategy to address the image portion of the resolution was also approved. The plan entails conducting a survey to understand how the cattle industry is perceived by our publics, then adjusting the industry's programs to move towards how we wish to be perceived as an industry. The initial cost for the research work is \$34,000. As a footnote to this item, the Canadian Cattlemen's

Association has expressed interest in participating in the program and expanding the survey to a national scope.

The committee continues to be a major sponsor of the Growing Alberta initiative and applauds their efforts to keep Alberta's agricultural image strong and positive.

The ACC Environmental Stewardship Award has once again attracted some very worthy candidates and will be awarded in December at our annual general meeting. This is the 10 year anniversary of the

award and the committee is proud of our past winners and the profile this award has received in the media and public.

The recent decisions by major retailers to have assurances of humane treatment and quality feeding programs means the public affairs committee will continue to have a full agenda, and also emphasizes the need for a coordinated approach as public confidence and trust and a healthy livestock industry will be forever linked.

**Craig Horner, Hanna
Public Affairs Chairman**



Cattle Feeder Council

Working Together to Build the Industry



Len Vogelaar
Cattle Feeder Council
Chairman

Time flies when you are having fun. That statement is probably not completely true for the members of the cattle feeder council

during this past year, but I am sure we can all say that it has been challenging and interesting. Council members have become more comfortable with each other and are beginning to acquire the confidence to search for a solution to the many problems that confront the cattle feeding sector of this great industry.

However, this is only the beginning. It will take more time and effort from Alberta Cattle Commission (ACC) members and Alberta Cattle Feeders' Association representatives and non-aligned members to integrate the different ways in which two organizations try to solve the same problem. It's almost like integrating two corporate cultures. Nobody knows what eventually will be the best entity to address the issues that need to be resolved in the cattle feeding industry, but the commitment is there.

Almost all the issues relevant to the feeding industry need research. Therefore the cattle feeder council recommended to the technical committee that funding be approved for the following projects:

- A study on soil permeability in occupied feedlots or catch basins,
- Vector viability and the risk of transmitting Bluetongue and Anaplasmosis by importing feeder cattle from approved States,

- The impact of barley versus corn rations on the shedding of E. coli in feeder cattle, and
- The mitigation of E. coli 0157:H7.

Some of these research projects will take more than one year to complete.

Council also provided funding to the County of Lethbridge Intensive Livestock Working Group to promote the intensive livestock industry in a county that has the highest livestock density in Canada. Producers are injecting a more balanced view based on science in a debate that seems to be ongoing.

The Alberta Minister of Agriculture, Food and Rural Development announced last July that the province will take control of the approval and regulatory structure for intensive livestock operations (ILOs). The provincial government also announced that the mandate of the Natural Resources Conservation Board will be expanding to include the review and approval of new or expanding ILOs starting January 1, 2002. Details on how the process will work are still being drafted, but the feeding industry is pleased with the minister's announcement.

On a less positive note, the government is reviewing the farm property assessment policy. The feeding industry recognizes that the present farm property assessment no longer applies property taxes in a fair and equitable way, and is prepared to accept their fair share of property taxes. Regrettably, the suggestion in the draft report released by an MLA committee recommends that municipalities be allowed to levy property taxes based on the agricultural enterprise they prefer. The intensive livestock industry intends to do all it can to prevent that from happening.

The feedlot sector operates in a North American cattle market. It is therefore necessary to have access to

U.S. feeder cattle and feed grains. While the latter is no problem, the importation of feeder cattle is. The feeding sector is still excluded from accessing the U.S. feeder market on a year-round basis. We will continue to work on these problems. The feeding sector is also very much aware that the health status of the Canadian cattle herd has to be protected.

At time of writing, efforts are underway to allow U.S. feeder cattle into Canada with proper documentation, in sealed trucks and tagged with the Canadian Food Inspection Agency tag at the place of destination. Hopefully, the outcome will be positive. The terminal feedlot concept is not making much progress.

It has been only eight months since the feeder council came into existence as an ACC committee. It is still a work in progress. The committee is aware that by working together as an industry it can benefit every sector. The cattle feeder council is looking forward to another year of progress.

**Len Vogelaar, Pincher Creek
Cattle Feeder Council Chairman**



Beef Promotion

"If it ain't Alberta, it ain't Beef"

2001 has been an interesting and exciting year for the beef promotion committee, Alberta Cattle Commission (ACC) staff and Alberta beef! The development and launch of the new image *The Alberta Beef RanchERs* has taken a lot of work and dedication. It has been very successful and has provided our product and industry with tremendous media attention and worldwide exposure.

Because of the beef promotion committee's increased budget over the last three years, we have been able to expand educational programs and reach more people. The Classroom Agriculture Program was once again successful in presenting our agricultural message to 563 schools reaching 21,764 grade four students across the province. Thanks again to the volunteer presenters and coordinators, many of whom are beef producers. Hopefully the new music video *It All Starts on the Farm* was an asset to their presentation. It was also sent to schools where volunteers were unavailable.

The Beef in the Classroom instructors have had a busy year educating future consumers in urban high schools with a positive, practical and fun message about beef. By the end of the year, the basic meat cookery manual for home economics teachers will be completed providing an up-to-date resource.

We were fortunate to have a Beef Education Association coordinator in every zone this year. The beef promotion committee would like to congratulate the association on its 20th anniversary and thank them for the fine work they do throughout the province. Once again we encourage delegates and producers to assist and utilize the coordinators whenever possible to help get our Alberta beef message out to the public.

Continuous sponsorship requests have kept the committee busy selecting worthwhile projects. Typically, one in five

requests will meet the committee's criteria for profiling Alberta beef. Some of the sponsorships and advertising initiatives we supported this year are:

- Mac's AAA Hockey Tournament in Calgary,
- Advertorials in many magazines and newspapers such as the 2001 Nutrition Month Supplement in the Calgary Herald and Edmonton Journal,
- The Food Safety Information Line which provides consumers with direct access to current and credible food safety information,
- The City Slickers 2000 program which takes inner city children to the country at harvest time for educational tours,
- Working with Collective Kitchens to educate new and low income Canadians about beef usage, and
- School Nutritional Incentive Program.

Promotion material has become a \$200,000 budget item because of increased requests by zones, heightened awareness of the products available, and their increased use in our programs. Producers and our promotion partners can see and order these items on the ACC website. Just look for *Cool Cow Stuff* at www.albertabeef.org.

The retail project is now a permanent program of the beef promotion committee with a current budget of \$100,000 per year. Trained contractors have conducted retail sessions at the meat counters of Canada Safeway, Costco, Calgary Co-op and Sunterra Markets. The program is operating in Lethbridge, Calgary, Red Deer and Edmonton. Our retail partners are indicating a 10-30 per cent increase in beef sales on the days when our program is operating in their stores.

The activities and successes of the foodservice program remain the flagship for the beef promotion committee. The challenges of the higher cost of beef and increased imports of restaurant-ready

product are being met by the quality and respect our product and personnel have in the foodservice industry.

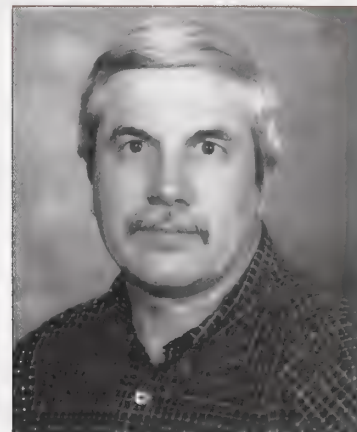
Educational programs involving chefs, food

and beverage managers, owners of food establishments and food distributors - as well as participation at industry trade shows - gives the foodservice program the opportunity to reassure and build increased confidence in Alberta beef.

This spring, the Alberta Beef Round Up was supported with cost shared advertising and point-of-sale materials with partnered restaurants in Red Deer - and will become a template for future work in mid-range cities across Alberta. Involvement with branded programs has produced tremendous success with the Earl's restaurant chain switching to beef sourced primarily from Alberta.

This past summer was very busy with the production of an Alberta Beef Diner's Guide for Calgary with a distribution of 150,000 copies through the Calgary Herald, the Stampede rodeo and chuckwagon souvenir programs, participating restaurants/hotels, and from the ACC booth on the Stampede grounds.

Once again quality establishments such as Humpty's, Moxies, abc Family Restaurants, Westin Hotel, Carvers, Ed's and Quincey's had a promotional focus on Alberta beef. Alberta beef was also highlighted at the Kitchen Theatre on the Stampede grounds. Alberta beef is



Michael Bird
Beef Promotion
Chairman

> see *"If it ain't"* on page 20



Beef Promotion

> *"If it ain't" continued from page 19*

partnering with Big Rock Brewery to do a joint promotion called *Alberta Rocks* in over 40 restaurants in the Toronto area.

Then in August, another diner's guide was distributed in Edmonton during the World Championships in Athletics. Over 150,000 copies were inserted in Edmonton Journal newspapers during the games. Once again participating restaurants/hotels successfully focused on Alberta beef promotions.

Quebec remains a major market for Alberta beef (over 20 per cent of our production) so the committee allocated \$200,000 for cost shared programs with the Beef Information Centre (B.I.C.) to increase our share even more. After supporting a retail program for two years, it was agreed to fund one more year because of the great success promoting branded AAA programs and the implementation of the new beef naming system in Quebec retail chains. This summer, a Cargill premium certified AAA program was tested in 10 IGA stores and eventually expanded to 350 stores in the Sobey's chain (representing 30 per cent of

Quebec's retail business).

We are now involved in a two-year partnership with the B.I.C. supporting a Quebec foodservice coordinator who is having success building contacts and creating opportunities for brand recognition of Alberta beef. This spring a major promotion (Ranches and Vineyards) involving Quebec's largest foodservice distributor - Serca, the ACC, a wine broker, the Quebec Liquor Board, and over 50 participating restaurants showcased Alberta beef. This promotion also involved three local radio stations, Air Canada and the Fairmont Hotels, and included staff incentives and prizes for increased beef sales. This summer and fall saw promotions and educational programs with the restaurant chains St. Huberts (98 locations) and LaCageaux Sports (40 locations).

For the last 13 years, the tag line "If it ain't Alberta, It ain't Beef" and the image of the three cowboys has been the mainstay of ACC promotions and advertising. Even though we've enjoyed great success with this creative ever since its launch during the 1988 Winter Olympics in Calgary, our committee and

partners in the industry felt it could be time for a change or revitalization. As a result, a communications firm was contracted to do market research in Alberta, Quebec and the United States to find out what consumers and producers thought was needed for a change in the image. The research demonstrated we should keep the equity that has been built with the image by keeping the slogan "If it ain't Alberta, It ain't Beef" but update and modernize the photo. This led to the concept of replacing the three men with three women who are real producers and could become ambassadors for Alberta beef. This approach was confirmed through consumer focus groups to make sure we had it right before any development took place. Through word-of-mouth and province-wide advertising on the Cattle Country radio program, over 50 applications were received.

Three very qualified women were chosen from families that have strong roots within our industry, and who are excited about being involved in the promotion of Alberta beef. The *Alberta Beef RanchERs* are: Erin Butters from Cochrane, who at 23 represents the future in cattle production; Patti Scott from Sundre, a 37-year-old mother of two who operates a working ranch with a purebred Angus herd; and Lenore McLean from the High River/Longview area, who at 61 has been involved with the cattle industry all her life.

Not only do these women represent the new image for the Alberta beef industry but as real cattle producers they are very knowledgeable and confident when interviewed by media or speaking to consumers from around the world.

It was important that we launch this image in a BIG way - so with a \$600,000 commitment from the ACC board and our market development budget, the beef promotion committee developed a plan that presented the new image not only to Alberta, but the world. We began June 20 with the introduction of the three

Promoting Beef in Smaller Markets

The Alberta Cattle Commission (ACC) has one Beef Education Association (BEA) coordinator in each zone. The coordinators are volunteers who meet twice a year at the annual and semi-annual ACC meetings. One of the responsibilities of BEA coordinators is to extend Beef Information Centre materials and information to consumers not reached by the national promotion programs. From High Level and Athabasca, to Lethbridge and Pincher Creek, trade shows were attended in the past year with displays covering nutrition, education and awareness.

Along with attending 4-H meetings and providing speeches on beef industry issues

and prizes for achievement days, we also visit meat shops - stopping at auction marts, catering companies and grocery stores with beef information. The BEA assists the Classroom Agriculture Program coordinators in delivering the program to grade four classrooms in the province. The representatives are also involved in producer liaison, promotion and the ACC fall zone elections.

The BEA meetings are organized by Elaine Deeg who also manages the display schedules for all ACC requests, orders new promotional materials and ships materials as required.

Karilynn Marshall, Bowden
BEA President



Beef Promotion

women and new creative to over 400 journalists at a media conference and luncheon for the Calgary Stampede. The women were involved in promoting the new ACC image throughout the Stampede (including the parade) and we also used billboards, transit ads and print media to present the new image not only to Calgarians, but also to the thousands of visitors that were in the city.

Then in August, the most exciting opportunity began in Edmonton. The ACC was a National Sponsor of the World Championships in Athletics in Edmonton from August 3-12. This is the third largest sporting event in the world after World Cup Soccer and the Summer Olympics. The event is held every two years and this is the first time it was in North America. As the only food item being advertised, we had the opportunity to present our Alberta beef message to 3,000 athletes and officials, 400,886 spectators, 2,678 world media and four billion television viewers (588,000 in Canada everyday) from hundreds of countries. Our image had a major presence before and during the Games utilizing billboards, transit ads, the Alberta beef diners' guide, beef promotions in restaurants/hotels and special events such as media barbecues.

This was demonstrated when Prince Edward and Princess Sophie were being introduced to the *Alberta Beef RanchERS*; Edward stopped the introduction saying he already knew who the women were as they fell out of his newspaper everyday. He was referring to the Alberta Beef Diner's Guide that was inserted into hotel newspapers. The *RanchERS* were also invited to join Wayne Gretzky on stage at the World's Plaza when he made an appearance. In addition to meeting British and hockey royalty, the *RanchERS* were photographed with Premier Ralph Klein, Edmonton Mayor Bill Smith, City of Edmonton Councilors and hundreds of athletes, officials and media.

This opportunity in our own backyard

gave our industry worldwide exposure and imprinted the new image in people's minds and the taste of our delicious beef in their mouths.

The beef promotion committee also commissioned the development of a new Alberta beef logo to be used in promotions, advertisements, on menus or clothing items. The logo has been very well accepted by the industry, and foodservice is constantly receiving requests from restaurants that use it on their menus and promotional items.

The success of the image campaign and new logo can be attributed to the decisions and commitment of the beef promotion committee and the hard work and enthusiasm the ACC staff showed in implementing the activities this past year.

This is a great time to be in the beef business and the committee is confident that all of these new endeavors will enhance the reputation and sales of Alberta beef.

**Michael Bird, Blackie
Beef Promotion Chairman**

CAP Depends on Producer Volunteers

The past year on the Classroom Agriculture Program (CAP) board has been an interesting experience. I have enjoyed working with the organizing body of a program that I have been involved with for many years. As a CAP volunteer, I had no idea of the amount of activity behind the scenes. I am amazed at the organization it requires to operate this valuable educational program.

The CAP program has the support of both the ministers of education and agriculture. Part of the strength of our program is in the cooperation of so many commodity and ag service organizations. This broad base of producers and agriculture support personnel gives us access to a wide range of credible information and makes us ambassadors for agriculture, not merely our own commodity. New to the program this year is a short video that gives a quick overview of several different commodities. This has been a welcome tool for our volunteer presenters.

We truly have a unique and exceptional opportunity to deliver the message of agriculture into the school classroom. We live in an increasingly small world. Global agricultural

problems challenge markets worldwide, including our own. Young consumers need accurate, factual information to share with their families and to shape their attitudes towards agriculture and food production. Programs such as CAP can have a real impact on our sales and on public perception.

We have some very qualified people on staff at the Alberta Cattle Commission (ACC), as well as some terrific zone coordinators working to get the job done smoothly and efficiently. Having said that, there are always people with changing commitments and new people are needed to step up to take their places. If anyone is interested in working with the CAP program as a volunteer presenter or in any other way please feel free to call the ACC office or talk to any one of your ACC delegates. We would be pleased to give you the information that you need.

Thank you to all of the many volunteers, zone coordinators and also to the members of our steering committee. Without your dedicated effort our program would not be the success it is today.

**Roy Eckert, New Sarepta
CAP Chairman**



Beef Information Centre

Effective Programs Help Spark Strong Beef Sales

Market development programs in retail, foodservice and new product development are the Beef Information Centre's (B.I.C.) top three programs. Nutrition and consumer communication programs are implemented to improve consumer perceptions about beef.

Increasing consumer demand for beef is the mandate of the B.I.C. and demand continues to grow, increasing three per cent in 2000 (over 1999) on top of an increase of 3.7 per cent in 1999 (over 1998). These last two years have been the two strongest demand periods in the last 20 years. Demand is a measure accounting for both per capita consumption and consumer spending on beef at retail. Demand is determined by consumers - what they are willing and able to buy at any market price given the prices and choices of alternative products available to them. A strong economy, new products, more convenient products, improved quality through branded beef initiatives, the retail naming system and increased positive publicity for beef have all helped increase demand for beef.

The B.I.C. assisted companies to create and launch five new products with more products being marketed and more in the development process.

One of the new products is Lou's Barbeque Co. ribs, a fully cooked beef product from The Meat Factory. The beef back ribs are now selling at both retail and foodservice. Better Beef's fully cooked pot roast has been launched at retail and is the first of three fully cooked products. The Bay's Café created a beef stew and Asian beef. Lazar launched a kosher burger.

The Meat Factory Ltd., is selling a ready-to-cook marinated steak line in four flavors. The B.I.C. also assisted The Meat Factory with pre-cooked Lou's BBQ ribs and shredded beef, a line extension of the ribs. The B.I.C. also assisted with a

rotisserie roast for retail, and a pre-cooked roast (sliced or shaved) is making great inroads in the foodservice market.

Distribution of MeatHeads continues to expand. The Canadian Football League games last fall put MeatHeads in front of a quarter million consumers in the target audience for this new beef snack - males aged 18 to 34. Exposure at The Good Food Festival put MeatHeads in front of 30,000 consumers. MeatHeads are now selling in 2,500 stores across Canada including Esso Tiger Express, 7-Eleven, Husky, Mohawk and Safeway.

44th Street™ fully cooked beef pot roast, meatloaf and sirloin roast, which are marketed and distributed by Retail Food Brands Inc., have changed packaging, gone national and a fourth line has been added.

This year the B.I.C.'s product development team has worked with 17 companies, ranging from small to multinationals. About 700,000 pounds of raw beef sold as value-added convenient new beef products with the assistance of the B.I.C.'s product development initiative this year. Two-thirds of these new products are fully cooked.

Check-off Funded Foodservice Activities

There is growth in quality based branded beef at restaurants as well as retail. Branded beef provides restaurant patrons with better, more consistent product and creates return visits which works for the restaurateur. It is the return visits that are the real win-win situation for both the beef and foodservice industries. Branded beef provides the opportunity for restaurants to differentiate their beef menu in the highly competitive restaurant market. For example, positioning Sterling Silver® as the only branded product on the menu allowed Moxie's to attract an upscale casual patron. Moxie's moved up from a

family restaurant segment to focus attention on a high quality beef meal.

Influencer Events Create an Image for Beef

Several public relations events were organized for the people who set the trends and influence others. The goal was to enhance the image of beef and encourage media coverage. These image building events which put beef in the media included: Northern Bounty IV, a national conference and an alliance of food professionals for Cuisine Canada; Canada a la Carte (a six city trade tour and promotion in 50 restaurants); the Sterling Silver® All Canadian Chef Race; an Iron Chef Competition in Saskatchewan; and Ranches and Vineyards in Montreal and Quebec city (with promotions in 53 restaurants) - all put beef in the media. Partnership dollars grew in this area giving the B.I.C. a five to one return on check-off dollars invested.

Information Influences

There has been a growth in foodservice educational seminars with 42 in total and many are customized for the business. All seminars used the newly revised *Beefacts* manual. The aim was to empower foodservice sales people with information and resources to help them and their customers sell more beef. Five of these were research and menu development sessions and all resulted in new promotions with these chains.

Promotions Increase Beef Sales

Foodservice executed 28 promotions with chains. The team leveraged their promotion budget to get an eight to one return on investment. The promotions included working with Earl's to launch a new Canadian beef program.

To facilitate promotions with independent restaurants, (which make up one-third of all eater occasions in Canada), a second promotion kit was



Beef Information Centre

launched and promoted in the foodservice newsletter, *Beef Up Your Business*. Over half (385) of the kits have been distributed. The newsletter has been an important information tool for the past 11 years. This year 238,000 copies of the newsletter were distributed.

Food Safety Campaign for Restaurants

Last fall a safe handling of raw meats chart was distributed with the newsletter. This spring, following research on all segments of the foodservice industry, a safe food handling campaign was launched targeting independent restaurants. The resource kit and poster were developed and shipped to restaurants across the country.

What is Happening in Foodservice Sales?

There has been a resurgence back to beef. Beef meals away from home have increased by 4.4 per cent staying in line with total eater occasions (also at 4.3 per cent). What's really exciting is that nine per cent more women chose steak at restaurants.

Check-off Funded Retail Programs

Beef Solutions was the theme of a retail display at two grocery shows and is B.I.C.'s retail thrust. The retail team continues to work on their core merchandising solutions which includes work in seven areas:

- new innovative cuts as shown in the new Beef Merchandising Guide,
- new Health Check™ program,
- quality based store and packer branded beef programs,
- sachet programs to promote carcass utilization,
- all three elements of beef's new naming system,
- food safety resources and training, and
- recipe cards and brochures at meat counters.

The new chart called a *Beef Merchandising Guide* is attracting a lot of

interest and over 10,000 copies have been distributed. About 20 new cuts featured are not commonly marketed in Canada. It is the basis for the B.I.C.'s retail team to launch new retail merchandising initiatives for heavy primals from larger carcasses.

A new *Consumer Guide* complements the *Beef Merchandising Guide*. This chart includes information on selection and preparation, safe handling, carcass reference, and cooking tips. Value comparisons on cost per serving, not total price, show that beef is often a better buy than other meats and poultry because beef contains less bone and waste. Both the Beef Merchandising Guide and the Consumer Guide have been combined into a smaller handout for consumers and meat counter personnel.

The B.I.C. is working with retailers on 10 quality based branded programs. Many are packer and retailer co-branded. There are currently four certified premium branded beef programs and the B.I.C.'s retail team has worked closely with each program to deliver a consistent but unique message about the quality of branded beef.

The B.I.C. worked with IBP's corporate brand, Chairman's Reserve and Costco Wholesale in British Columbia on a new co-branded Kirkland Signature/Chairman's Reserve. This branded product is certified by the Canadian Beef Grading Agency and was launched in the British Columbia market in May 2001.

Five new sachets will be launched with three generic ones from Hermann Laue Spice Co., that will be available to all stores. This is important because retailers don't have to belong to a major banner to access marinade sachets. Two sachets are store branded by Sobeys. The B.I.C. worked on all these sachets.

What is Happening in Retail Sales?

At retail, trending data shows dollar sales increased nine per cent and kilogram volume decreased four per cent.

Check-off Funded Nutrition and Consumer Communications

Seven Beef Industry Development Fund nutrition research projects are completed and publicity of the results reached 7.4 million Canadians. Educational materials like *Food Habits of Canadians* was an easy to read report mailed to 175 health media and 7,125 dietitians in Canada during April.

News releases, advertorials for doctors, seminars for health professionals, published research papers and postings on the B.I.C.'s website all work to communicate the research that shows beef is healthy.

More positive beef stories were achieved in consumer media for this year than ever before! Total circulation reached 49.4 million, an all-time record for the B.I.C. These clips are *only* B.I.C. - generated activities or stories that use B.I.C. information. This total does not include a circulation of 2.4 million in clips of other positive beef mentions that happened spontaneously. The B.I.C. also monitors negative press coverage and manages issues in the consumer media.

More than half the clips come from the B.I.C. staff acting as a resource. A recent example is three beef stories written by Canadian Press and the Complete Grill Guide in the June issue of *Canadian Living*. As a result, the articles these professionals write yielded a circulation of over 27 million positive impressions about beef.

Food Safety Campaign for Consumers

The B.I.C. initiated a coast to coast radio and television interview campaign with a food safety expert to remind consumers that everyone has a responsibility in food safety and consumers have a role to play. The response to 59 interviews reached a total audience of 8.7 million. A print campaign so far reached 1.7 million in 35 clips.

Kevin Boon, Delia
Beef Information Centre
Committee Chairman



Canadian Cattlemen's Association

Foreign Animal Diseases in the Forefront

This time last year you would have been hard pressed to find a Canadian outside the agriculture industry who had heard of Foot-and-Mouth Disease (FMD), and many in agriculture would not have known much about it either. That changed with the outbreak in the United Kingdom this past spring.

Foreign Animal Diseases

The Canadian Cattlemen's Association (CCA) has been very busy lobbying to ensure adequate preventative measures are in place at points of entry into Canada. The Canadian Food Inspection Agency (CFIA) has increased surveillance at airports, marine ports and land borders to keep FMD out of Canada. The CCA is calling on the CFIA to maintain and improve the system that is now in place. The CCA strongly believes that vigilance against this disease must not be allowed to lapse now that the situation in the United Kingdom appears to be under control. We are taking an active role ensuring that prevention and preparedness plans are in place.

BSE (commonly referred to as mad cow disease) is another foreign animal health issue that made a big media splash during the past year. BSE is a topic the CCA takes very seriously. The cattle associations of Canada, the United States and Mexico have signed a joint pledge to work together to ensure that all precautions are taken to keep BSE out of North America. The CCA continues to work closely with the CFIA to ensure all the necessary precautions are in place and adhered to.

Canadian Cattle Identification Program

The BSE and FMD issues have really driven home just how important it is that we preserve the Canadian cattle industry's disease-free status. The cattle industry has received kudos from many quarters

for having had the foresight to form the Canadian Cattle Identification Agency (CCIA). The national cattle identification program is now in effect. The level of tag sales and producer support has been encouraging. The CCIA is on track to realize full compliance and enforcement of the national identification program as of July 01, 2002.

The CCIA has allocated approximately 17 million tag numbers to manufacturers, distributed 12 million tags, and there have been close to six million tag numbers reported to the database as sold to producers by dealers and distributors. With just over four million calves born in Canada each year and the program not yet in full operation, the participation is certainly encouraging. The size of the tag inventory at veterinary clinics, feed stores and producer organizations is increasing and tag manufacturers are obtaining a better understanding of the market and the demand for specific types, sizes and colors of CCIA tags. As suspected, due to the large demand for tags and the implementation of new tag protocol, the results of our recent audit confirmed that we are experiencing a delay from dealers and distributors in regards to submitting data to the CCIA database.

Global Beef Marketing Strategy

A new Global Beef Marketing Strategy received approval from the CCA board at the summer meeting. The new strategy ushers in a more coordinated approach between the Beef Information Centre (responsible for domestic beef marketing), the Canada Beef Export Federation (responsible for marketing Canadian beef in Asia and Mexico) and Beef Marketing Services International (develops branded programs to promote the sale of Canadian beef to the United States).

The adoption of the strategy anticipates the new national check-off that is

expected to begin this fall. The strategy will result in increased efficiency, more effective sharing of expertise, and greater coordination of effort in key areas of beef marketing and promotion with the goal to have Canadian high quality beef products recognized as the most outstanding by Canadian and world customers.

U.S. Trade Relations

CCA representatives attended the U.S. National Cattlemen's Beef Association (NCBA) summer meeting in Denver. While trade relations with our U.S. counterparts has improved for the most part (helped along by the high feeder prices received for cattle on both sides of the border earlier this year), there are still clouds on the horizon. The NCBA passed a motion to pursue action on an international trade violation based on the failure of Canadian officials to allow for year-round access of U.S. feeder cattle without scientific justification for health restrictions. This is an indication of their frustration with how long this process is taking - a frustration shared by the CCA. We're pressing the Canadian Food Inspection Agency (CFIA) hard to have these regulations in place before NCBA's annual general meeting next February.

Fortunately the Canadian government recently amended its Animal Import Regulations to allow the recognition of zones in other countries that are of equivalent to Canada or low risk health status for specific animal diseases. This change will help facilitate the year-round access that is being asked for by cattle associations on both sides of the border. The CCA has been lobbying for this amendment for many years.

The U.S. Department of Agriculture continues to review a proposal to eliminate grading of imported carcasses. The majority of our U.S. exports cross the border either as live cattle or boxed beef



Canadian Cattlemen's Association

and would not be affected. However, some packers would face a significant impact if this ruling goes through. As well, the NCBA and some U.S. states continue to actively pursue either country of origin or "Made in the USA" labeling on products sold within their states. This has the potential to negatively impact Canadian beef sales to the United States as retailers aren't set up to handle imported products separately. The CCA continues its lobbying efforts on both of these issues.

On-Farm Food Safety

A decision by the CCA board to move the *Quality Starts Here* program to the next level has received added impetus from an agreement reached by federal, provincial and territorial ministers of agriculture at a recent meeting in Whitehorse.

The ministers agreed in principle on a national action plan to make Canada the world leader in food safety, innovation and environmental protection. As part of that action plan, the ministers recognized the importance of on-farm food safety programs to prevent and manage risks - and committed the CFIA to provide leadership in the assessment and recognition of programs developed by commodity groups.

The CCA recently passed a motion to support the *Quality Starts Here* program as the beef cattle industry's commitment to on-farm food safety and quality assurance. They further gave direction to move forward with the implementation of a voluntary national standards program verified by an accredited third party and audited by a recognized authority. An accreditation working group has been formed and will consult with industry regarding the development of an on-farm food safety program for beef. The federal and provincial agriculture ministers commended the leadership demonstrated by commodity organizations in moving forward with development of on-farm food safety programs.

E.coli Industry Management Committee

The *E.coli* 0157:H7 Industry Management Committee was established in November 2000 to lead the industry's efforts to combat the microbe and ensure Canada maintains the most advanced and efficient science-based food safety program in the world. It also manages action plans to ensure the quality of fresh water systems are protected. Strategy recommendations being reviewed by the management committee include:

- Raise producer awareness of the issue and promote production practices as interventions to reduce the risk at the primary production level,
- Involve the dairy industry (veal and cull cows),
- Raise the awareness of the potential liability issues (due diligence),
- Establish food safety objectives, performance criteria and process criteria in order to reduce the risk from 0157:H7 and other food pathogens,
- Prepare manuals on temperature management in retail and foodservice,
- Implement HACCP or HACCP-based programs throughout the cold chain,
- Develop standards throughout the cold chain recognizing the need for a multilateral and collaborative approach,
- Renew a strategy for the development of consumer information and research consumer concerns, and
- Improve communication efforts.

Environment Update

Federal Environment Minister Anderson appears prepared to continue to support the need for compensation in the Species at Risk Act. That support comes in the face of considerable pressure from both environment groups and other government departments. The wording is still discretionary, but the minister seems prepared to support up to 100 per cent compensation for "extraordinary" impact under guidelines that would appear to

meet our needs. More work will be done in the next few weeks to attempt to consolidate the positive and modify the negatives.

The CCA conducted a mailing to members of Parliament encouraging them to question the government's assurances that animal agriculture has nothing to fear from the proposed changes to the Criminal Code under Bill C-15 concerning cruelty to animals.

The legislation is expected to be on the agenda when House resumes sitting in the fall. A cabinet shuffle is anticipated and a new minister may wish to put his/her own stamp on the legislation.

Concerning climate change and greenhouse gases - the CCA initiated an agriculture coalition "sinks must be in" news release just prior to the Kyoto Protocol discussions in Germany this past July. Agriculture and Agri-Food Canada circulated the news release through the Canadian delegation including the Prime Minister's Office and also internationally. That support was very much appreciated. The CCA issued a second release congratulating Minister Anderson on getting sinks accepted in the Kyoto Protocol.

The Americans, while not officially at the Kyoto table, did attend the German meeting and were actively promoting the sinks agenda.

There is a need to fill the knowledge gaps in areas such as how to manage grasslands for maximum carbon storage, and how to best manage emissions from feedlot bedding packs. It was agreed that the CCA should identify the research needed for beef cattle and present that information to the Beef Cattle Research Council.

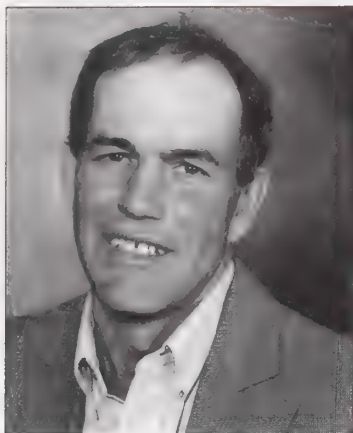
While our industry continues to face many challenges, it also remains a bright spot in the Canadian agricultural sector.

**Greg Conn, Innisfail
Alberta's Executive Director
to the CCA**



Canada Beef Export Federation

Export Markets Important for Alberta Beef



Dave Solverson
ACC Representative
to CBEF

The Canada Beef Export Federation (CBEF) was created in 1990. At the time, the industry recognized the potential for new

Canadian

"thin meats" that would otherwise be ground or rendered. This increases fed cattle prices. Canadian packers are not only buying meat, but are also bidding and paying for feet, tongues, tails, major organs, intestine and tripe.

The increased value of tongues, due to demand in Japan, added \$7.20 to every fed animal last year. Mexico's demand for skirt steaks (diaphragm) added a further \$9.80 per head. The increase in prices of these two products has added more than \$61 million in value to our industry.

Our exports to Asia and Mexico are increasing faster than the growth rate of these import beef markets. We are gaining against Australia, New Zealand and U.S. beef in Asia and Mexico. It should be noted that Canada overtook New Zealand as the second largest beef supplier to our key Asian markets in 1998.

CBEF's three benchmarks, (gross return on investment, net return on investment and pounds exported per dollar) are all increasing. Every dollar contributed to CBEF in 2000 produced \$107 in total beef sales, \$73 in new beef sales and 54 lbs. of beef sold in Asia and Mexico. These are very successful measures of performance.

I feel continuing to develop strong export markets now is our best way to beat the downturn in the cattle cycle which has historically been the leading cause of financial stress and failure in all aspects of our industry. The last low in the cycle was relatively short-lived for Canadian producers because it coincided with our plummeting dollar. We must build strong markets in non-producing countries.

It has been a frustrating year for the executive and management of CBEF. We have had to spend far too much time and

resources lobbying government and producer organizations for funding. The time and money should be put to getting the job done! We have an opportunity to promote our product as the highest quality and safest beef in the world.

The Canada Beef Export Federation has been an extremely valuable asset to the Canadian cattle and beef industry since its formation in 1990. The Federation has also been under extreme financial stress for half of its 10-year life. Long term export development success will be dependent on further efforts of the Federation and its members - made possible only through long term adequate funding.

**Dave Solverson, Camrose
ACC Representative to CBEF**

beef sales growth in markets like Japan.

Industry leaders did not want our industry to be in the vulnerable position of exporting our entire surplus to the United States which is a huge beef producing nation itself.

Beef exports to Asia and Mexico have increased steadily since 1990 when the Federation began operations. Exports have increased rapidly since 1995 and dramatically since 1998. Our industry increased exports to Asia and Mexico by an average of \$42 million during each of CBEF's first 10 years of operation. Based on packer survey data, our industry intends to increase sales to Asia and Mexico from \$72 million in 1990 to \$442 million in 2000. Exports are forecasted to reach \$1.2 billion in 2010.

Canada exported 101,000 tonnes of beef to Asia and Mexico in 2000, which is equivalent to 6.7 lbs. of per capita consumption.

Approximately 80 per cent of Canadian beef product exports to Asia and Mexico are boneless and bone-in beef. The remaining 20 per cent includes edible offal products. We are working to sell the entire animal in Asia, many times creating the only high value market for offal and

Auditors' Report

KPMG LLP
Chartered Accountants
1200, 205 - 5th Avenue SW
Calgary, AB T2P 4B9

AUDITORS' REPORT TO THE DIRECTORS AND ZONE REPRESENTATIVES

We have audited the statement of financial position of the Alberta Cattle Commission as at March 31, 2001 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Calgary, Canada
May 10, 2001

ALBERTA CATTLE COMMISSION

Statement of Financial Position

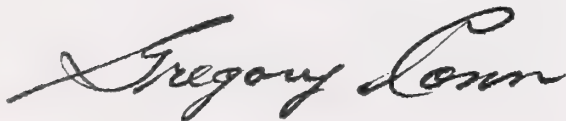
March 31, 2001, with comparative figures for 2000

	2001	2000
Assets		
Current assets:		
Bank deposit, bearing interest	\$ 3,160,740	\$ 1,459,238
Government-secured investments, at cost	930,100	893,713
Fees receivable	963,845	945,185
Interest and other receivables	110,366	52,716
	5,165,051	3,350,852
Capital assets (note 2)	68,588	37,695
	5,233,639	3,388,547
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	453,885	349,091
Deferred revenue	180,538	177,081
	634,423	526,172
Net assets	\$ 4,599,216	\$ 2,862,375

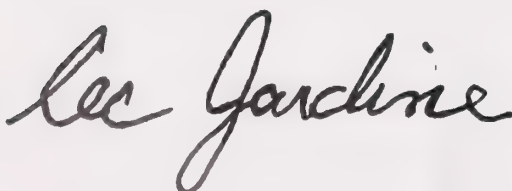
Commitments and contingency (note 3)

See accompanying notes to financial statements.

Approved by the Board:



Greg Conn, Chairman



Cec Jardine, Finance Chairman

ALBERTA CATTLE COMMISSION

Statement of Operations and Changes in Net Assets
Year ended March 31, 2001, with comparative figures for 2000

	2001	2000
Revenues:		
Service charges	\$10,346,481	\$10,097,944
Less dealers' rebates	155,245	151,528
	10,191,236	9,946,416
Investment income	177,417	110,719
	10,368,653	10,057,135
Expenses:		
Beef Information Centre (notes 4 and 5)	4,226,432	3,608,138
Canada Beef Export Federation (note 4)	1,105,461	500,000
Beef Cattle Research Council (note 4)	256,648	-
National Check-off Agency	25,794	-
Canadian Cattlemen's Association (notes 4 and 5)	504,166	481,704
Beef marketing programs	59,195	10,000
Board and delegates:		
General meetings	143,299	138,869
Board meetings	86,674	62,562
Zone	54,951	40,461
Executive	51,760	42,061
Fall meetings	48,761	46,218
Project expenses (note 5):		
Beef promotion	1,154,908	857,814
Producer liaison	490,395	340,188
Public affairs	174,379	167,547
Technical	127,980	90,301
Government affairs	33,622	34,009
Cattle feeder council	9,817	-
Cattle industry	1,575	3,520
Project management, operations and administration	590,578	502,272
Legal, audit and consulting project	90,805	96,039
Depreciation of capital assets	17,144	15,897
U.S. trade action (note 3(a))	-	2,409,959
	9,254,344	9,447,559
Excess of revenues over expenses before extraordinary item	1,114,309	609,576
Extraordinary item - recovery of GST paid in prior years (note 6)	622,532	-
Excess of revenues over expenses	1,736,841	609,576
Net assets, beginning of year	2,862,375	2,252,799
Net assets, end of year	\$4,599,216	\$2,862,375

See accompanying notes to financial statements.

ALBERTA CATTLE COMMISSION

Statement of Cash Flows

Year ended March 31, 2001, with comparative figures for 2000

	2001	2000
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	\$1,736,841	\$ 609,576
Add items not involving cash:		
Depreciation of capital assets	17,144	15,897
Loss on disposal of capital assets	-	161
	1,753,985	625,634
Change in non-cash working capital:		
Increase in fees receivable	(18,660)	(173,298)
(Increase) decrease in interest and other receivables	(57,650)	81,694
Increase (decrease) in accounts payable and accrued liabilities	104,794	(272,419)
Increase in deferred revenue	3,457	12,187
	1,785,926	273,798
Investing:		
Additions to capital assets	(48,037)	(11,077)
(Increase) decrease in government-secured investments	(36,387)	669,610
Proceeds on disposal of capital assets	-	2,788
	(84,424)	661,321
Increase in bank deposit	1,701,502	935,119
Bank deposit, beginning of year	1,459,238	524,119
Bank deposit, end of year	\$3,160,740	\$1,459,238

See accompanying notes to financial statements.

ALBERTA CATTLE COMMISSION

Notes to Financial Statements
Year ended March 31, 2001

1. General:

The Alberta Cattle Commission (the "Commission") operates under the regulations of the Marketing of Agricultural Products Act of the Province of Alberta for the purpose of improving the economic well-being of the cattle industry in Alberta. Under the regulations of the Act, the Commission is entitled to levy a service charge on cattle marketed in the Province of Alberta. The service charge in effect during the year ended March 31, 2001 was \$2.00 per head. This service charge is deducted from the proceeds payable to the seller and is to be remitted to the Commission by each licenced livestock dealer.

Commencing April 1, 2000 \$1.00 of the \$2.00 per head service charge collected is submitted to the National Beef Cattle Research, Market Development and Promotion Agency (the "Agency"). The Agency is responsible for the distribution of the funds to the Beef Cattle Research Council, the Beef Information Centre and the Canada Beef Export Federation, based on an allocation determined annually by the Commission.

The Commission meets the qualification of a not-for-profit organization as defined in paragraph 149(1) of the Income Tax Act and as such is exempt from income taxes.

2. Capital assets:

	2001		2000	
	Cost	Accumulated depreciation	Net book value	Net book value
Furniture and fixtures	\$74,873	\$23,489	\$51,384	\$20,654
Computer equipment	30,587	13,383	17,204	17,041
	\$105,460	\$36,872	\$68,588	\$37,695

Depreciation is provided on a straight-line basis over the assets' estimated useful lives, which for furniture and fixtures is 10 years and computer equipment is three years.

3. Commitments and contingency:

(a) During 1999 the United States Department of Commerce undertook a trade investigation to determine whether Canada had engaged in unfair trading practices with respect to cattle producers receiving unfair subsidies and selling cattle in the United States for less than the cost of production. The case was dismissed in November 1999.

(b) The Commission leases office space and equipment under operating leases which expire at varying times over the next four years. The future minimum lease payments are as follows:

2002	\$126,922
2003	125,472
2004	125,472
2005	43,997

4. Related party transactions:

(a) Included within the mandate of the Commission is the support for four national organizations, the Beef Information Centre ("B.I.C."), the Canada Beef Export Federation ("CBEF"), the Beef Cattle Research Council ("BCRC") and the Canadian Cattlemen's Association ("CCA"). As a funding organization the Commission is entitled to:

(i) A number of representatives to the B.I.C. committee based on its proportionate share of total funding. For the year ended March 31, 2001 the Commission contributed \$4,219,032 (2000 - \$3,600,000) to the B.I.C. entitling the Commission to six of 13 seats.

(ii) A representative on the Executive Committee of CBEF, as a non-government organization annually contributing \$500,000 or more. For the year ended March 31, 2001 the Commission contributed \$1,105,461 (2000 - \$500,000) to CBEF entitling the Commission to one seat on the 10 member executive.

(iii) A number of representatives to the BCRC based on its proportionate share of total funding. For the year ended March 31, 2001 the Commission contributed \$256,648 (2000 - \$nil) to BCRC entitling the Commission to four of 12 seats.

ALBERTA CATTLE COMMISSION

Notes to Financial Statements, Page 2
Year ended March 31, 2001

(iv) A number of seats on the Board of Directors of the CCA based on its calculated share of the farm cash receipts from the sale of cattle and calves represented by the member organizations to the CCA. For the year ended March 31, 2001 the Commission contributed \$483,273 (2000 - \$463,584) to the CCA entitling the Commission to seven of 28 seats.

(b) By way of an agreement dated April 16, 1997 the Canada-Alberta Beef Industry Development Fund (the "Fund") was established by the Government of Canada and the Government of Alberta, and is scheduled to terminate on March 31, 2003. The Government of Canada has committed \$8.2 million to the Fund and advances quarterly payments based on expenditure projections. The Government of Alberta has advanced their contribution of \$8.2 million. The total combined contribution of \$16.4 million is available to enhance research and industry development activities with the objective of promoting and enhancing the competitiveness of the beef industry in Alberta.

The agreement calls for the Fund to be administered and maintained by the Commission. For the year ended March 31, 2001 the Commission charged the Fund \$15,915 (2000 - \$25,268) in this regard of which \$1,802 (2000 - \$5,292) was recorded as a receivable at March 31, 2001.

5. Director and delegate expenses:

Director and delegate honoraria and expenses are included with the costs of the national organization and project expenses. The amounts included in each of the categories are as follows:

	2001	2000
Beef promotion	\$ 37,990	\$ 28,332
Public affairs	29,702	28,286
Producer liaison	19,686	20,632
Canadian Cattlemen's Association	14,687	8,138
Government affairs	11,443	19,029
Technical	11,323	7,514
Cattle feeder council	9,284	-
Beef Information Centre	7,400	13,828
Cattle industry	739	2,535
	\$142,254	\$128,294

6. Extraordinary item:

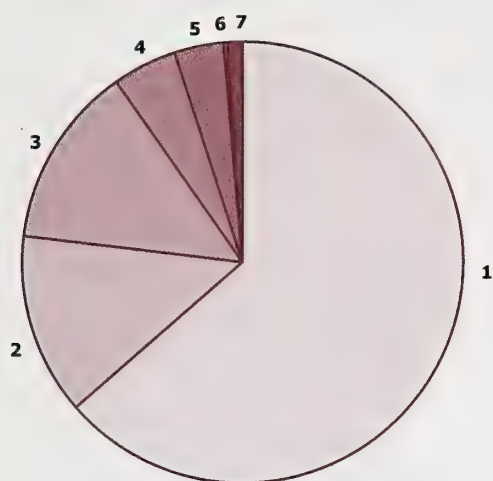
Pursuant to a ruling from the Canada Customs and Revenue Agency (the "Agency"), the Commission ceased charging Goods and Services Tax ("GST") on the service charge in February 1997 and was therefore unable to claim GST paid as input tax credits ("ITCs"). Successful in appealing that ruling, the Commission started collecting GST again in October 1998.

As a result, the Commission applied to have all the GST paid during the period of February 1, 1997 through October 19, 1998 be designated as ITC eligible. During the current year the Agency agreed that a portion of the GST paid could be claimed as ITCs. Based upon a calculated percentage of producers registered for the GST, the Agency determined that they would honor approximately 82 per cent of the \$697,405 (1999 - \$211,515; 1998 - \$485,890) in GST paid or a total of \$573,025. The Agency's total payment of \$622,532, received on March 27, 2001, also included \$49,507 in interest.

7. Fair values:

The fair values of bank deposit and amounts receivable and payable approximate their book values, as such amounts are short-term in nature. The fair value of government-secured investments at March 31, 2001 is reflected by their quoted market value of \$974,546 (2000 - \$915,984).

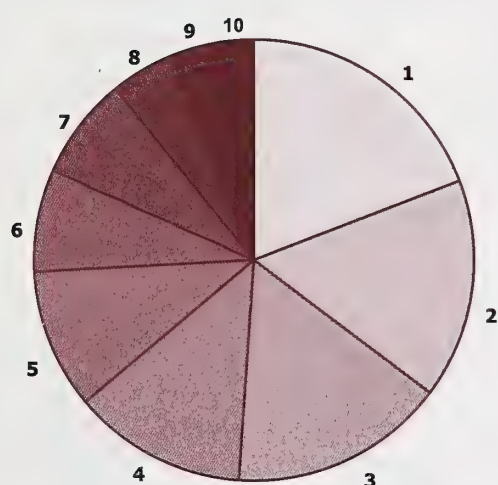
Beef Information Centre and Canadian Cattlemen's Association Budgets 2002/03



BEEF INFORMATION CENTRE BUDGET

Revenues

1. Alberta	\$3,680,000	63.5%
2. Saskatchewan	780,000	13.4%
3. Ontario	778,000	13.4%
4. British Columbia	280,000	4.8%
5. Manitoba	200,000	3.5%
6. Maritimes	12,000	0.2%
7. Interest	70,000	1.2%
	<u>\$5,800,000</u>	<u>100.0%</u>



Expenses

1. Product development initiative	\$1,666,620	19.2%
2. Operations	1,391,757	16.0%
3. Retail merchandising	1,390,302	16.0%
4. Consumer promotion	1,106,240	12.7%
5. Foodservice	894,568	10.3%
6. Nutrition	664,411	7.6%
7. Communications	638,199	7.4%
8. Consumer research/evaluation	416,250	4.8%
9. Food safety	262,000	3.0%
10. Producer liaison	245,496	3.0%
	<u>\$8,675,843</u>	<u>100.0%</u>

Expenses over revenue \$2,875,843
Net Assets at June 30, 2002 will be: \$729,215

CANADIAN CATTLEMEN'S ASSOCIATION BUDGET

Revenues

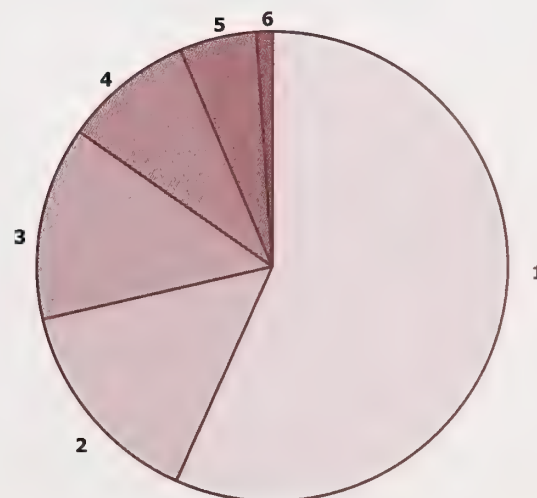
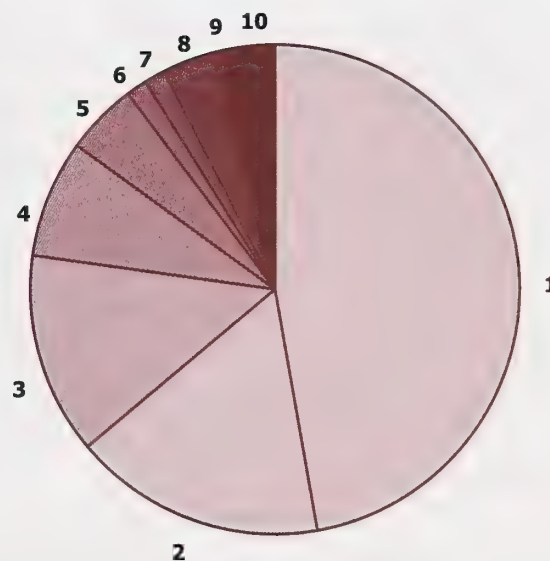
1. Alberta	\$523,056	47.3%
2. Saskatchewan	183,009	16.5%
3. Ontario	149,918	13.5%
4. Manitoba	86,671	7.8%
5. British Columbia	49,775	4.5%
6. Maritimes	17,549	1.6%
7. Canada Beef Breeds Council	15,000	1.4%
8. Convention	36,200	3.3%
9. Interest	9,800	0.9%
10. Other	35,500	3.2%
	<u>\$1,106,478</u>	<u>100.0%</u>

Expenses

1. Operations	\$ 662,066	56.7%
2. General meetings	169,200	14.7%
3. Committee expenses	153,867	13.4%
4. Environment	100,000	8.7%
5. Executive/finance	62,500	5.5%
6. Five Country	11,850	1.0%
	<u>\$1,149,483</u>	<u>100.0%</u>

Expenses over revenue \$43,005

Net assets at June 30, 2002 will be: \$177,410



CANADIAN CATTLEMEN'S ASSOCIATION

Schedule of Revenue, Expenditure and Net Assets

Year ended June 30, 2001, with comparative figures for 2000

	2001		2000	
Revenue:				
Assessments				
Alberta	\$491,370	48.8%	\$458,983	50.4%
Saskatchewan	149,108	14.8%	149,276	16.4%
Ontario	143,823	14.3%	119,163	13.1%
Manitoba	81,880	8.1%	69,349	7.6%
British Columbia	45,437	4.5%	37,611	4.2%
Nova Scotia	6,306	0.6%	5,706	0.6%
Prince Edward Island	5,193	0.5%	5,118	0.6%
New Brunswick	4,173	0.4%	4,794	0.5%
	927,290		850,000	
Interest	11,466	1.1%	11,078	1.2%
Other	69,457	6.9%	49,482	5.4%
Total revenue	1,008,213	100.0%	\$910,560	100.0%
Expenses:				
Calgary office	350,639	37.4%	340,047	34.0%
Ottawa office	127,751	13.7%	123,932	12.4%
CCA division services	105,284	11.3%	193,020	19.3%
Environment	103,414	11.0%	98,750	9.8%
Executive committee	77,877	8.3%	54,281	5.4%
Annual meeting	51,252	5.5%	52,209	5.2%
Semi annual meeting	39,010	4.2%	31,081	3.1%
Foreign trade committee	30,889	3.3%	22,037	2.2%
Animal health and meat inspection	23,442	2.5%	23,560	2.4%
Communications	18,794	2.0%	24,432	2.4%
Convention	4,446	0.5%	1,557	0.2%
Grading committee	1,564	0.2%	6,392	0.6%
Domestic ag policy	234	0.0%	607	0.1%
Five country	891	0.1%	29,448	2.9%
Total expenses	\$935,487	100.0%	\$1,001,353	100.0%
Excess (deficiency) of revenue over expenses	72,726		(90,793)	
Net assets, beginning of year	147,689		238,482	
Net assets, end of year	220,415		\$147,689	

BEEF INFORMATION CENTRE

Schedule of Revenue, Expenditure and Net Assets

Year ended June 30, 2001, with comparative figures for 2000

	2001		2000	
Revenue:				
Assessments				
Alberta	\$4,252,780	62.2%	\$3,793,877	65.9%
Saskatchewan	1,249,724	18.3%	600,000	10.5%
Ontario	800,973	11.7%	858,618	14.9%
British Columbia	252,913	3.7%	259,255	4.6%
Manitoba	60,000	0.9%	60,000	1.0%
Prince Edward Island	6,000	0.1%	6,000	0.1%
Nova Scotia	4,000	0.1%	4,000	0.1%
New Brunswick	2,000	0.0%	2,000	0.0%
Breed Associations	3,000	0.0%	5,607	0.1%
Interest	192,627	2.8%	163,810	2.8%
Sales of materials	12,710	0.2%	1,911	0.0%
Total revenue	\$6,836,727	100.0%	\$5,755,078	100.0%
Expenses:				
Operations	\$1,133,757	19.3%	\$1,018,383	15.3%
Consumer promotion	1,064,657	18.1%	268,373	4.0%
Foodservice	922,774	15.7%	898,753	13.5%
Product development	882,783	15.0%	485,411	7.3%
Retail, promotions and merchandise	583,484	9.9%	1,627,593	24.4%
Communications	504,068	8.6%	540,385	8.1%
Nutrition and food safety	271,448	4.6%	496,299	7.4%
Consumer research and evaluation	189,671	3.2%	94,033	1.4%
Producer liaison	171,744	2.9%	155,955	2.3%
Quebec merchandiser	100,379	1.7%	85,563	1.3%
Special projects	44,375	0.9%	44,404	0.7%
Nutrition communications	3,535	0.1%	950,987	14.3%
Total expenses	5,872,675	100.0%	\$6,666,139	100.0%
Excess (deficiency) of revenue over expenses	964,052		(911,061)	
Net assets, beginning of year	2,641,006		3,552,067	
Net assets, end of year	3,605,058		\$2,641,006	

ALBERTA CATTLE COMMISSION

Operations Budget 2002/03

	Proposed 2002/03 Budget	dollars per head	Current 2001/02 Budget	2000/01 Actual
Revenue:				
Fees	\$9,600,000 A	2.00	\$9,200,000	\$10,346,481
Less dealers' rebates	144,000	0.03	138,000	155,245
	9,456,000	1.97	9,062,000	10,191,236
Investment income	150,000	0.03	125,000	177,417
Total revenue	9,606,000	2.00	9,187,000	10,368,653
Expenses:				
*National beef global marketing strategy	4,468,800 B/C	0.93	-	-
Beef Information Centre	- B/C		3,661,600	4,226,432
Beef Marketing Services International	- B/C		-	-
Canada Beef Export Federation	- B/C		936,550	1,105,461
*Beef Cattle Research Council	235,200 C	0.05	228,850	256,648
*National Check-off Agency	96,000 C	0.02	23,000	25,794
Canadian Cattlemen's Association	558,000	0.12	516,250	504,166
Beef marketing programs			346,000	59,195
Board and delegates:				
General meetings	160,000	0.03	146,500	143,299
Zone	113,400	0.02	117,400	54,951
Board	80,500	0.02	72,500	86,674
Executive	60,500	0.01	40,000	51,760
Fall meetings	50,000	0.01	48,000	48,761
Project expenses:				
Beef promotion	1,549,000 D	0.32	2,069,000	1,154,908
Producer liaison	421,500	0.09	408,100	490,395
Technical	400,000	0.08	400,000	127,980
Public affairs	343,500	0.07	352,000	174,379
Cattle feeder council	200,000 E	0.04	200,000	9,817
Government affairs	90,000	0.02	90,000	33,622
Cattle industry	-		-	1,575
Project management, operations and administration	661,270	0.14	645,500	590,578
Legal and audit	105,000 F	0.02	85,000	90,805
Depreciation of capital assets	18,500	0.01	17,000	17,144
Western College of Veterinary Medicine	- G		500,000	-
Extraordinary item - recovery of GST paid in prior years	- H		-	(622,532)
Total expenses	9,611,170	2.00	10,903,250	8,631,812
Excess (deficiency) of revenue over expenses	(5,170)	(0.00)	(1,716,250)	1,736,841
Net assets, beginning of year	2,882,966		4,599,216	2,862,375
Net assets, end of year	2,877,796		2,882,966	4,599,216
Marketings	4,800,000		4,600,000	5,173,241

* The italicized items indicate the portion of the budget allocated to the National Check-off.

CAPITAL BUDGET

Computer equipment	15,000	0.00	15,000	10,713
Furniture and fixtures	10,000	0.00	10,000	37,324
	25,000	0.01	25,000	48,037

ALBERTA CATTLE COMMISSION

Notes to the Budget

- A) With the dry conditions and lack of feed, it is expected that the herd size will be reduced this fall. This will likely translate into fewer marketings during the 2002/2003 fiscal year.
- B) The Beef Information Centre, Beef Marketing Services International and the Canada Beef Export Federation are developing the National Beef Global Marketing Strategy - an industry wide strategy designed to best utilize the limited industry funds available for domestic and international promotion and marketing programs.
- C) Under the national check-off agreement, each of the provincial cattle organizations designates how they want to allocate their dollar per head marketed. The proposed Alberta Cattle Commission (ACC) allocation for 2002/2003 is:
- 93.1 cents to National Beef Global Marketing Strategy
 - 4.9 cents to Beef Cattle Research Council
 - 2.0 cents to the National Check-off Agency

Upon proclamation of the National Check-off Agency, it is expected that the Agency portion will increase from 0.5 cents to 2.0 cents to offset the costs of incorporation and start up legal expenses.

- D) The decrease in the beef promotion committee budget reflects the expenses incurred during 2001/2002 to launch the new Alberta beef image campaign and sponsorship of the World Championships in Athletics.
- E) The cattle feeder council was established in December 2000 to address issues of importance to Alberta cattle feeders. Comprised of delegates and non-delegates, the ACC board of directors gives final approval to all recommended project expenditures.
- F) Additional legal costs are anticipated as the Commission goes through its mandatory five year regulatory review of its marketing plan regulations.
- G) In 2001/2002 the Commission provided a one time \$500,000 contribution towards a new academic chair in Beef Cattle Health and Production Management at the Western College of Veterinary Medicine, University of Saskatchewan.
- H) During 2000/2001 the Canada Customs and Revenue Agency (CCRA) agreed with the Commission's assertion that Input Tax Credits should be honored for the period that the Commission, at CCRA's direction, was not collecting GST.



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ALBERTA CATTLE COMMISSION FALL PRODUCER MEETINGS AND ELECTIONS

ALL MEETINGS BEGIN AT 7:30 p.m. EXCEPT WHERE INDICATED BY (•)

Polls open one hour after the meeting is called to order

ZONE 1

DATE	PLACE & SPEAKER
Nov. 5	Foremost Legion Hall <i>Larry Helland, CABIDF Chairman</i>
Nov. 6	Arrowwood Community Hall <i>George Graham, South Slope Feeders</i>
Nov. 7	Redcliff, Legion Hall <i>Arno Doerksen, ACC Vice-Chairman</i>
Nov. 8	Brooks, Bow Slope Auction Market <i>Joanne Lemke, ACC Manager Public Affairs</i>
Nov. 14	Vauxhall, Legion Hall <i>Anne Dunford, CANFAX Market Analyst</i>

ZONE 2

DATE	PLACE & SPEAKER
Nov. 9	Stavely Community Hall <i>Susan Church, Alberta Farm Animal Care Association</i>
Nov. 12	Pincher Creek Livestock Auction <i>Kathy Keeler, B.I.C. Chief Executive Officer</i>
Nov. 14	Raymond, Agricultural Society Barn <i>Susan Church, Alberta Farm Animal Care Association</i>
Nov. 16	Picture Butte Community Hall <i>Anne Dunford, CANFAX Market Analyst</i>

ZONE 3

DATE	PLACE & SPEAKER
•Oct. 29	Cochrane Community Hall • 8:00 p.m. start
Oct. 30	Sundre West Country Centre
Nov. 5	Strathmore, Calgary Stockyards
Nov. 6	High River, Highwood Auction Market <i>Anne Dunford, CANFAX Market Analyst</i>

ZONE 4

DATE	PLACE & SPEAKER
Nov. 1	Pollockville Community Hall <i>Arno Doerksen, ACC Vice-Chairman</i>
Nov. 7	Consort, Legion Hall <i>Greg Conn, ACC Chairman</i>
Nov. 8	Killam, Legion Hall <i>Jim Turner, ACC Past Chairman</i>

ZONE 5

DATE	PLACE
Nov. 5	Delia Community Hall
•Nov. 14	Leslieville Community Hall • 6:00 p.m. supper meeting, \$5 per head
Nov. 15	Spruce View Community Hall
•Nov. 16	Big Valley Community Hall • 6:00 p.m. supper meeting, \$5 per head

ZONE 6

DATE	PLACE & SPEAKER
Nov. 6	Camrose, Regional Exhibition Hall <i>Neil Janke, CCA Foreign Trade Chairman</i>
Nov. 8	Lakedell, Ag Society Hall <i>Arno Doerksen, ACC Vice-Chairman</i>
Nov. 13	Rolly View Community Hall
Nov. 15	Drayton Valley Omniplex

ZONE 7

DATE	PLACE & SPEAKER
••Nov. 1	Barrhead, Summerdale Hall
	••6:00 p.m. supper meeting
•Nov. 5	Rochester Community Hall
•Nov. 7	Gibbons, Legion Hall
•Nov. 12	Beaver Meadows Community Hall
	• All zone seven meetings start at 7:00 p.m.
	••except for Barrhead

ZONE 8

DATE	PLACE & SPEAKER
Oct. 29	Lac La Biche, Craigend Hall <i>Susan Church, Alberta Farm Animal Care Association</i>
Oct. 30	Bonnyville, Agriplex <i>Susan Church, Alberta Farm Animal Care Association</i>
Nov. 5	Kitscoty, Wheatfield Inn <i>Debbie McMillin, CANFAX Market Analyst</i>
Nov. 6	Myrnam, Senior Citizens Hall <i>Debbie McMillin, CANFAX Market Analyst</i>
Nov. 12	Vilna Hall
Nov. 13	Warwick Community Hall <i>Dennis Laycraft, CCA Executive Vice President</i>

ZONE 9

DATE	PLACE
•Nov. 5	Savanna, Rec Plex •5:30 p.m. beef on a bun supper meeting
Nov. 6	Fairview, Dunvegan Motor Inn
Nov. 7	Grande Prairie, Trumpeter Motor Inn
Nov. 8	High Prairie, High Prairie Inn
••Nov. 12	La Crete, La Crete Auction Market •• 12:00 noon start